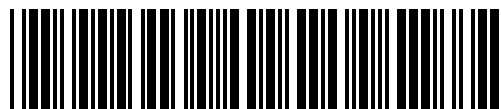




Registration of a Charge

Company Name: **THE HESLEY GROUP LIMITED**

Company Number: **02665377**



Received for filing in Electronic Format on the: **11/04/2022**

XB1QLEKM

Details of Charge

Date of creation: **07/04/2022**

Charge code: **0266 5377 0018**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (AS SECURITY AGENT AND SECURITY TRUSTEE FOR THE BENEFIT OF THE SECURED CREDITORS AS DEFINED IN THE INSTRUMENT).**

Brief description: **THE REAL ESTATE AS DEFINED IN SCHEDULE 3 OF THE INSTRUMENT AND INCLUDING: THE OLD COTTAGE, WILSIC, DONCASTER, DN11 9AG WITH TITLE NUMBER SYK4267, WILSIC HALL, WILSIC ROAD, TICKHILL, DONCASTER, DN11 9AG WITH TITLE NUMBER SYK56687, AND 1 STAINTON STREET, DENABY MAIN, DONCASTER DN12 4AP WITH TITLE NUMBER SYK80199. FOR MORE DETAILS PLEASE REFER TO CLAUSE 3 OF, AND SCHEDULE 3 TO, THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HERBERT SMITH FREEHILLS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2665377

Charge code: 0266 5377 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th April 2022 and created by THE HESLEY GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th April 2022 .

Given at Companies House, Cardiff on 14th April 2022

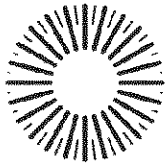
The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



HERBERT
SMITH
FREEHILLS

Execution version

7 April 2022

HONOUR PROJECT MIDCO LIMITED
HONOUR PROJECT BIDCO LIMITED
HESLEY HOLDINGS LIMITED
HESLEY CARE & EDUCATION LIMITED
and
THE HESLEY GROUP LIMITED
as Chargors

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
as Security Agent

SUPPLEMENTAL DEBENTURE

Herbert Smith Freehills LLP

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THIS DEED is dated

7 April 2022

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Chargors*) as the chargors (the "**Chargors**"); and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (the "**Security Agent**") as security agent and security trustee for the benefit of the Secured Creditors.

BACKGROUND

- (A) Each Chargor is entering into this Deed in connection with the Finance Documents.
- (B) Pursuant to the Existing Debentures, each Chargor (other than the Third Party Security Provider) created security over all of its assets, and the Third Party Security Provider created security over the Third Party Charged Assets, in each case as security for, amongst other things, its present and future obligations and liabilities under the Finance Documents.
- (C) The Facilities Agreement is to be amended and restated by an amendment and restatement deed dated on or about the date of this Deed. It is a condition to the amendment and restatement of the Facilities Agreement that the Chargors enter into this Deed.
- (D) The board of directors of each Chargor is satisfied that entering into this Deed would be most likely to promote the success of that Chargor for the benefit of its members as a whole and to the further benefit and advantage of that Chargor.
- (E) The Security Agent and each Chargor intend this document to take effect as a deed (even though the Security Agent only executes it under hand).
- (F) The Security Agent holds the benefit of this Deed for the Secured Creditors on the terms of the Finance Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless a contrary indication appears, terms used in the Facilities Agreement have the same meaning and construction and:

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act.

"Agreed Security Principles" has the meaning given to that term in the Intercreditor Agreement.

"Agreement for Lease" means an agreement to grant an Occupational Lease for all or part of any Real Estate.

"Assigned Agreements" means:

- (a) each Lease Document;
- (b) each Hedging Agreement;
- (c) the Insurances; and
- (d) the Intra-Group Loan Agreements,

in each case, including any guarantees or sureties entered into in respect of them.

"Bank Accounts" means, in relation to a Chargor, all its right, title and interest from time to time in and to the accounts set out in Part A of Schedule 6 (*Bank Accounts and Blocked Accounts*) and all current, deposit or other accounts with any bank or financial institution (other than (i) a Blocked Account or (ii) any account set up solely for the purpose of holding cash collateral to secure indebtedness that is Permitted Financial Indebtedness under paragraph (m) of that definition in clause 1.1 (*Definitions*) of the Facilities Agreement), all

balances from time to time standing to the credit of or accrued or accruing on those accounts and all Related Rights.

"Bidco" means Honour Project Bidco Limited.

"Blocked Accounts" means, in relation to Bidco, all its rights, title and interest from time to time in any account set out in Part B of Schedule 6 (*Bank Accounts and Blocked Accounts*) which is opened and maintained by Bidco and all balances from time to time standing to the credit of or accrued or accruing on such accounts and all Related Rights.

"Book Debts" of a Chargor means all book and other debts of any nature, and all other rights to receive money (excluding Bank Accounts and Blocked Accounts) now or in the future due, owing or payable to that Chargor and the benefit of all related negotiable instruments, rights, Security, guarantees and indemnities of any kind.

"Charged Assets" means the assets from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

"Charges" means all or any of the Security created or expressed to be created by or pursuant to this Deed.

"Currency of Account" means the currency in which the relevant indebtedness is denominated or, if different, is payable.

"Delegate" means a delegate or sub-delegate appointed under Clause 17.2 (*Delegation*) by the Security Agent or a Receiver in accordance with this Deed.

"Dividends" means, in relation to any Investment, all present and future:

- (a) dividends, interest and distributions of any kind and any other sum received or receivable in respect of that Investment;
- (b) rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of that Investment;
- (c) allotments, offers and rights accruing or offered in respect of that Investment; and
- (d) other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, that Investment.

"Enforcement Event" means a Declared Default (as that term is defined in the Facilities Agreement).

"Existing Debentures" means:

- (a) the English law debenture between Honour Project Midco Limited and Honour Project Bidco Limited as chargors and the Security Agent dated 23 November 2018 (the **"Initial Debenture"**); and
- (b) the English law debenture between Hesley Holdings Limited, Hesley Care & Education Limited and The Hesley Group Limited as chargors and the Security Agent dated 25 January 2019.

"Facilities Agreement" means the senior facilities agreement dated 9 November 2018 and made between, amongst others, Bidco and the Security Agent, as amended and restated pursuant to an amendment and restatement deed dated 23 December 2021 and an amendment and restatement deed dated on or about the date of this Deed.

"Insolvency Act" means the Insolvency Act 1986.

"Insurances" means, in relation to a Chargor, all its right, title and interest from time to time in and to all contracts and policies of insurance of any kind (other than any policy of insurance in respect of third party liability, business interruption or directors' liability) taken out by or on behalf of it and all Related Rights, but only to the extent that a claim under such contract and policy of insurance would require a mandatory prepayment to be made pursuant to clause 9.2 (*Acquisition, Disposal, Insurance, Equity Cure Amount and Excess Cashflow*) of the Facilities Agreement.

"Intercreditor Agreement" means the intercreditor agreement dated 9 November 2018 and made between, amongst others, the Chargors and the Security Agent, as amended and restated pursuant to an amendment and restatement deed dated on or about the date of this Deed.

"Intra-Group Loan Agreements" means any Structural Intra-Group Loan Agreements and any agreements (whether documented or not) or documents relating to intercompany receivables of a Chargor with any member of the Group and includes the loan agreements listed in Schedule 5 (*Intra-Group Loan Agreements*).

"Investments" of a Chargor means:

- (a) securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit), but excluding shares in joint ventures and shares or interests in any company which is not incorporated in England and Wales;
- (b) warrants, options or other rights to subscribe for, purchase or otherwise acquire such securities and investments;
- (c) Dividends in respect of any such securities and investments or in substitution, conversion or exchange for any such securities or investments;
- (d) all rights relating to such securities and investments which are deposited with, or registered in the name of, any depositary, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee, in each case whether or not on a fungible basis (including rights against any such person); and
- (e) all other rights attaching to, deriving from, or exercisable by virtue of ownership of any such securities or investments (including all voting rights) (by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise) and all cash or other securities or investments in the future deriving from Investments or such other rights,

in each case now or in the future owned by it or (to the extent of its interest) in which it now or in the future has an interest (including those investments listed in Schedule 4 (*Investments*)), together with all Related Rights.

"Lease Document" means:

- (a) an Agreement for Lease;
- (b) an Occupational Lease; or
- (c) any other document designated as such by the Security Agent and a Chargor.

"LPA" means the Law of Property Act 1925.

"Occupational Lease" means any lease or licence or other right of occupation or right to receive rent to which any Real Estate may at any time be subject and includes any guarantee of a tenant's obligations under the same.

"Party" means a party to this Deed.

"Permitted Acquisition Shares" means a share or shares in an entity incorporated in England and Wales acquired by a Chargor pursuant to an acquisition which is expressly permitted under the terms of the Facilities Agreement.

"Plant and Machinery" means all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Rights.

"Real Estate" means:

- (a) each of the Real Properties listed in Schedule 3 (*Real Estate*); and
- (b) any Real Property located in England and Wales,

in each case, together with all Related Rights.

"Real Property" means:

- (a) any freehold, leasehold or immovable property; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Assets.

"Related Rights" means, in relation to a Charged Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Charged Asset;
- (b) any moneys or proceeds paid or payable deriving from that Charged Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Charged Asset;
- (d) any awards or judgments in favour of a Chargor in relation to that Charged Asset;
- (e) all options, agreements rights, easements, benefits and warranties in respect of such property, asset (or class of assets) or right;
- (f) all use in respect of such property or asset; and
- (g) any other assets deriving from, or relating to, that Charged Asset.

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of any Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of any Real Estate, including each of the following amounts:

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of any Chargor;
- (d) any other moneys paid or payable in respect of occupation and/or usage of that Real Property and any fixture and fitting on that Real Property including any fixture or fitting on that Real Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of any Lease Document;
- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;
- (i) any Tenant Contributions; and
- (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by any Chargor.

"Secured Obligations" has the meaning given to it in the Intercreditor Agreement.

"Security Period" means the period from the date of this Deed until the date on which the Security Agent has determined that all of the Secured Obligations have been irrevocably and unconditionally paid and discharged in full.

"Structural Intra-Group Loan Agreements" means the agreements (whether documented or not) or documents relating to the Structural Intra-Group Loans and includes the Structural Intra-Group Loan Agreements listed in Schedule 5 (*Intra-Group Loan Agreements*).

"Tenant Contributions" means any amount paid or payable to a Chargor by any tenant under a Lease Document or any other occupier of a Real Estate, by way of a contribution to

- (a) ground rent;
- (b) insurance premia;
- (c) the cost of an insurance valuation;
- (d) a service or other charge in respect of any Chargor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to Real Property; or
- (e) a reserve or sinking fund.

"Third Party Security Provider" means Honour Project Midco Limited.

"Third Party Charged Assets" means the assets from time to time owned by, or belonging to, the Third Party Security Provider that are subject, or expressed to be subject, to the Charges or any part of those assets.

1.2 Third Party Rights

- 1.2.1 Unless expressly provided to the contrary herein a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or to enjoy the benefit of any term of this Deed.
- 1.2.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- 1.2.3 Any Receiver, Delegate or their respective officers, employees or agents may, subject to this Clause 1.2 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

1.3 Intercreditor Agreement

This Deed shall be subject to the terms of the Intercreditor Agreement. If and to the extent any provision of this Deed is inconsistent with the provisions of the Intercreditor Agreement, the relevant provisions of the Intercreditor Agreement shall prevail.

1.4 Disposition

The terms of the other Finance Documents and of any other agreement or instrument between the Parties are incorporated into each Finance Document to the extent required for any disposition or purported disposition of any relevant Charged Asset contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Construction

- 1.5.1 Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document or other agreement or instrument.

- 1.5.2 The other provisions in clause 1.2 (*Construction*) of the Facilities Agreement apply to this Deed, except that references to the Facilities Agreement shall be construed as references to this Deed.
- 1.5.3 References to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset.

1.6 **Implied Covenants for Title**

The obligations of the Chargors under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.7 **Limited recourse**

Notwithstanding Clause 2 (*Undertaking to pay*):

- 1.7.1 the liability of the Third Party Security Provider to the Secured Creditors under Clause 2 (*Undertaking to pay*) shall be:
 - (A) limited in aggregate to an amount equal to that recovered by the Security Agent as a result of the enforcement of this Deed with respect to the Third Party Charged Assets; and
 - (B) satisfied only from the proceeds of sale or other disposal or realisation of the Third Party Charged Assets pursuant to this Deed; and
- 1.7.2 the Security Agent shall not have any recourse under Clause 2 (*Undertaking to pay*) to any assets of the Third Party Security Provider other than the Third Party Charged Assets.

2. **UNDERTAKING TO PAY**

2.1 **Payment of Secured Obligations**

Each Chargor shall pay each of the Secured Obligations when due in accordance with its terms or, if they do not specify a time for payment, immediately on demand by the Security Agent.

2.2 **Proportionate payment**

Each sum appropriated by the Security Agent in accordance with the Finance Documents in or towards payment of a particular part of the Secured Obligations shall to the extent of that appropriation discharge each Chargor's obligations in respect of that part of the Secured Obligations both to any Secured Creditor to which the same is owed, and to the Security Agent.

2.3 **Potential invalidity**

Neither the covenant to pay in Clause 2.1 (*Payment of Secured Obligations*), nor the obligation to pay interest pursuant to Clause 25.6 (*Interest*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.3, cause such covenant, obligation or security to be unlawful under any applicable law.

3. **FIXED CHARGES**

3.1 Subject to Clause 6 (*Excluded Assets*), each Chargor (other than the Third Party Security Provider) with full title guarantee and as security for the payment of all Secured Obligations (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Creditors):

- 3.1.1 by way of first legal mortgage, all Real Estate (including that described in Schedule 3 (*Real Estate*)) now belonging to it;
- 3.1.2 by way of first fixed equitable charge, all other Real Estate now belonging to it and all Real Estate acquired by it in the future and, to the extent not validly and

- effectively mortgaged under sub-paragraph 3.1.1 above, all Real Estate now belonging to it; and
- 3.1.3 by way of fixed charge, all its present and future:
- (A) Book Debts;
 - (B) Bank Accounts;
 - (C) Blocked Accounts;
 - (D) Investments;
 - (E) Plant and Machinery; and
 - (F) uncalled capital and goodwill; and
- 3.1.4 if not effectively assigned by Clause 5.1 (*Assignment*), all its present and future rights and interests in (and claims under) the Assigned Agreements.
- 3.2 The Third Party Security Provider, with full title guarantee and as security for the payment of all Secured Obligations (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Creditors):
- 3.2.1 by way of fixed charge, all its present and future Investments described in Schedule 4 (*Investments*) together with all Related Rights; and
- 3.2.2 if not effectively assigned by Clause 5.1 (*Assignment*), all its present and future rights and interests in (and claims under) the Structural Intra-Group Loan Agreements.
4. **FLOATING CHARGE**
- This Clause 4 shall not apply to the Third Party Security Provider.
- 4.1 **Creation**
- Each Chargor with full title guarantee and as security for the payment of all Secured Obligations (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Creditors) by way of floating charge its undertaking and all its assets, both present and future (including assets expressed to be charged by Clause 3 (*Fixed charges*) or assigned by Clause 4.6 (*Assignment*)).
- 4.2 **Qualifying Floating Charge**
- 4.2.1 The floating Charge created by each Chargor pursuant to Clause 4.1 above (*Creation*) is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of Schedule B1 to the Insolvency Act.
- 4.2.2 Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to this Deed and the Security Agent may appoint an Administrator of a Chargor pursuant to that paragraph.
- 4.3 **Ranking**
- The floating Charge created by each Chargor pursuant to Clause 4.1 (*Creation*) above ranks:
- 4.3.1 behind all the mortgages, fixed Charges and assignments created by that Chargor; but
- 4.3.2 in priority to any other Security over the Charged Assets of that Chargor except for Security ranking in priority in accordance with paragraph 7 of Schedule 2 (*Rights of Receivers*).

4.4 **Conversion by notice**

The Security Agent may convert the floating Charge over all or any of the Charged Assets into a fixed Charge by notice in writing to the relevant Chargor specifying the relevant Charged Assets (either generally or specifically):

- 4.4.1 on the occurrence of an Enforcement Event; and/or
- 4.4.2 the Security Agent reasonably considers that (A) it is necessary to do so in order to protect the priority of the Security or (B) any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Security Agent reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding up of a Chargor.

4.5 **Automatic conversion**

If:

- 4.5.1 a Chargor takes any step to create any Security or Quasi-Security in breach of Clause 7.1 (*Negative pledge*) over any of the Charged Assets subject to a floating charge created under this Deed; or
- 4.5.2 any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of those Charged Assets; or
- 4.5.3 a resolution is passed or an order is made for the winding up, dissolution or administration of a Chargor; or
- 4.5.4 an Administrator is appointed or any step intended to result in such appointment is taken,

the floating charge over the relevant Charged Assets shall automatically and immediately be converted into a fixed charge.

4.6 **Moratorium**

Notwithstanding Clauses 4.4 and 4.5, and save as permitted under Part A1 of the Insolvency Act, neither the obtaining of a moratorium by a Chargor under Part A1 of the Insolvency Act 1986 nor the doing of anything for or by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall give rise to any right for the conversion by notice under Clause 4.4 or the automatic conversion under Clause 4.5 of the floating Charge created by each Chargor pursuant to Clause 4.1.

5. **ASSIGNMENT**

- 5.1 The application of this Clause 5 to the Third Party Security Provider shall only be in relation to: (i) the Structural Intra-Group Loan Agreements; and (ii) any loan made by the Parent, as lender, to any member of the Group.

- 5.2 Each Chargor, with full title guarantee and as security for the payment of the Secured Obligations assigns absolutely to the Security Agent all its present and future rights, title and interest in:

- 5.2.1 the Assigned Agreements and all Related Rights; and
- 5.2.2 Rental Income present and future and all Related Rights,

provided that on payment or discharge in full of the Secured Obligations, the Security Agent will at the request and cost of the Chargor re-assign the Assigned Agreements to the relevant Chargor (or as it shall direct).

- 5.3 Until the occurrence of an Enforcement Event which is continuing, but subject to Clause 13 (*Assigned Agreements*), the relevant Chargor may continue to deal with the counterparties to the relevant Assigned Agreements and, for the avoidance of doubt, shall be entitled to

receive payments and make further advances under the Intra-Group Loan Agreements subject to the terms of the Finance Documents.

6. **EXCLUDED ASSETS**

- 6.1 This Clause 6 shall not apply to the floating charge granted by any Chargor pursuant to Clause 4.1 (*Creation*).
- 6.2 Subject to Clause 6.4, there shall be excluded from the security created by this Deed, but in each case only to the extent that such prohibition or condition restricts the type of security interest purported to be created by the relevant Clause of this Deed, any asset or undertaking which a Chargor is prevented or prohibited from creating Security on or over by reason of any legal requirement or any contract, license, lease, instrument or other arrangement which has been entered into with a third party on arms' length terms in relation to that asset or undertaking and which contract, license, lease, instrument or other arrangement is otherwise permitted or not prohibited by the terms of the Finance Documents (including any asset or undertaking which the Chargor is precluded from creating Security over without the prior consent of a third party), in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party.
- 6.3 For the purposes of Clause 6.2, the term "third party" in relation to a Chargor means any person which is not a member of the Group or an Affiliate of a member of the Group.
- 6.4 For all assets and undertakings referred to in Clause 6.2, to the extent that such assets are material (but, for the avoidance of doubt, including, without limitation, all Real Estate), the relevant Chargor undertakes (at its own cost) to apply for a consent or waiver of the relevant prohibition or condition which affects the charging of such asset as soon as reasonably practicable after the date of this Deed (or, as applicable, the creation of the relevant prohibition or condition to the extent arising after the date of this Deed) and to use its reasonable endeavours to obtain such waiver or consent within 20 Business Days of the date of this Deed or the date of the creation of the relevant prohibition or condition (and the Chargor's obligation under this paragraph will cease on the expiry of the 20 Business Days period referred to in this paragraph).
- 6.5 Immediately upon satisfaction of the relevant condition or upon receipt of the relevant waiver or consent, or upon the relevant prohibition otherwise ceasing to apply, the formerly excluded assets or undertakings shall stand charged or assigned to the Security Agent under the relevant Clause of this Deed (as applicable). If reasonably required by the Security Agent, at any time following satisfaction of that condition or receipt of that waiver or consent, the relevant Chargor will forthwith (at its own cost) execute a valid fixed charge or legal assignment over the relevant assets on substantially the same terms as set out in this Deed.
- 6.6 Where an asset is excluded from the Security created by this Deed as a result of Clause 6.2, that Security shall (to the extent it would not breach the provisions of Clause 6.2 above) operate as an assignment or charge of all proceeds and/or receivables which the relevant Chargor derives from or is entitled to in respect of the relevant asset(s) that have been so excluded from such Security.

7. **RESTRICTIONS AND FURTHER ASSURANCE**

7.1 **Negative pledge**

No Chargor shall create or permit to subsist any Security or Quasi-Security over any Charged Asset, except as permitted by the Finance Documents.

7.2 **Disposal**

No Chargor shall (nor shall any Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Asset except as permitted by the Finance Documents or with the prior consent of the Security Agent (acting

on the instructions of the Lenders as required pursuant to clause 38 (*Amendments and Waivers*) of the Facilities Agreement).

7.3 **Further assurance**

Subject to the Agreed Security Principles, each Chargor shall promptly do whatever the Security Agent or any Receiver or Delegate reasonably requires:

- 7.3.1 to perfect or protect the Charges or the priority of the Charges; or
- 7.3.2 (following the occurrence of an Enforcement Event) to facilitate the realisation of the Charged Assets or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Assets (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

8. **REAL PROPERTY**

This Clause 8 shall not apply to the Third Party Security Provider.

8.1 **Documents**

To the extent not already deposited with the Security Agent pursuant to the Existing Debentures, each Chargor shall (in respect of Real Estate in which it has an interest as at the date of this Deed) on the date of this Deed and (in respect of Real Estate in which it acquires an interest after the date of this Deed) promptly (and in any event within five Business Days) upon acquiring that interest:

- 8.1.1 deposit with the Security Agent all deeds and documents necessary to show good and marketable title to such interest in any Real Estate belonging to it and the matters which affect it ("**Title Documents**"); or
- 8.1.2 procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent (acting reasonably) for that purpose pursuant to an undertaking in a form approved by the Security Agent (acting reasonably) provided that this shall not prevent such solicitors lodging any Title Documents with H.M. Land Registry that are properly required to be lodged to support any application to register any such acquisition by the relevant Chargor and each Chargor shall procure that any such Title Documents that are lodged are held to the order of the Security Agent as soon as they are returned by H.M. Land Registry.

8.2 **Registration and Notifications**

Each Chargor shall:

- 8.2.1 in the case of a Chargor's Real Estate (whether in respect of Real Estate in which it has an interest at the date of this Deed or in respect of Real Estate in which it acquires an interest after the date of this Deed):

- (A) promptly after the date of this Deed (and in any event prior to the last day of the priority period afforded by the relevant priority search at H.M. Land Registry) apply to H.M. Land Registry to register the legal mortgage created by Clause 3.1.1 (*Fixed Charges*) and all other Charges, and in respect of Real Estate in which it acquires an interest after the date of this Deed, promptly after the date of such acquisition (and in any event prior to the last day of the priority period afforded by the relevant priority search at H.M. Land Registry) apply to H.M. Land Registry to register the fixed equitable charge created by Clause 3.1.2 (*Fixed Charges*) and all other Charges and, in either case, the release of all existing security (if any) to which the Real Estate is subject;
- (B) pay all appropriate registration fees; and
- (C) deal properly and as promptly as possible (and in any event prior to the expiry of any deadline given by the H.M. Land Registry for replying) with any requisitions by H.M. Land Registry relating to that Real Estate and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such requisitions and its response (and providing copies),

or, if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to H.M. Land Registry, that Chargor shall promptly (and in any event within five Business Days) provide the Security Agent with all duly completed forms reasonably requested by the Security Agent and all applicable registration fees;

- 8.2.2 in the case of a Chargor's Real Estate, both present and future, which is not registered at H.M. Land Registry and is not required by law or this Deed to be so registered, that Chargor will promptly (and in any event within five Business Days) apply to register this Deed and the Charges at the Land Charges Registry, unless the title deeds and documents have been deposited with the Security Agent and, by such reason, the Charges are not capable of being registered as a charge at the Land Charges Registry;
- 8.2.3 without prejudice to clause 25.14 (*Disposals*) of the Facilities Agreement, immediately notify the Security Agent of any contract, conveyance, transfer or other disposition for the acquisition by the Chargor of the legal or beneficial interest in any Real Estate;
- 8.2.4 at the same time as the application referred to in Clause 8.2.1(A), make an application to the Chief Land Registrar on Form RX1 for the registration against the registered titles (if any) specified in Schedule 3 (*Real Estate*) (and any unregistered Real Estate subject to compulsory first registration at the date of this Deed and any other Real Estate from time to time including a registered title) of the following restriction:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [chargee] referred to in the charges register or their conveyancer."; and
- 8.2.5 at the same time as the application referred to in Clause 8.2.1(A), make an application to the Chief Land Registrar on Form CH2 for the registration against the registered titles (if any) specified in Schedule 3 (*Real Estate*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Estate from time to time including a registered title) of the obligation to make further advances.

8.3 **Supplemental charges**

As security for the Secured Obligations, each Chargor shall promptly execute and deliver to the Security Agent such supplemental charge, mortgage or other similar document over such of its Real Estate from time to time as the Security Agent reasonably requires.

8.4 **Remedy**

If any Chargor fails to comply promptly (and in any event within five Business Days) with any undertaking or obligation contained in this Clause 8 following a written request from the Security Agent, the Security Agent shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The relevant Chargor shall reimburse to the Security Agent on demand all amounts expended by the Security Agent in remedying such failure together with interest in accordance with Clause 25.6 (*Interest*) from the date of payment by the Security Agent until reimbursed.

9. **PLANT AND MACHINERY**

9.1 This Clause 9 shall not apply to the Third Party Security Provider.

9.2 Each Chargor shall be free to deal with any Plant and Machinery in the ordinary course of its business until the occurrence of an Enforcement Event. No notice of the security created by this deed over any Plant and Machinery shall be prepared or given to any third party (whether by attachment to such Plant and Machinery or otherwise) unless an Enforcement Event has occurred.

10. **BOOK DEBTS**

This Clause 10 shall not apply to the Third Party Security Provider.

10.1 **Collection**

Subject to the terms of the Finance Documents, each Chargor shall be permitted to collect, use and dispose of all or any part of its Book Debts at its discretion but following the occurrence of an Enforcement Event the Chargor shall promptly collect all Book Debts and hold the proceeds of collection on trust for the Secured Creditors.

10.2 **Payment into designated Bank Account(s) and Blocked Account(s)**

Following the occurrence of an Enforcement Event, each Chargor shall promptly pay all moneys received or receivable by it from any source (including all proceeds of collection of Book Debts) into a Bank Account or Blocked Account (or, if one or more Bank Accounts or Blocked Accounts have been designated for this purpose by the Security Agent, the relevant Bank Account(s) or Blocked Account(s)). The Security Agent may designate different Bank Accounts or Blocked Accounts for different moneys.

10.3 **Proceeds**

Until an Enforcement Event is continuing, the proceeds of the realisation of the Book Debts shall (subject to any restrictions on the application of such proceeds contained in this Deed and the Finance Documents), upon such proceeds being credited to a Bank Account, be released from the fixed charge created pursuant to Clause 3 (*Fixed charges*) or Clause 4.4 (*Conversion by notice*) and the relevant Chargor shall be entitled to withdraw such proceeds from such Bank Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 4.1 (*Creation*) and the terms of this Deed until such proceeds are disposed of as permitted under the Finance Documents.

10.4 **Documents**

- 10.4.1 Following an Enforcement Event which is continuing, each Chargor shall promptly execute and/or deliver to the Security Agent such notices or documents relating to such of its Book Debts as the Security Agent requires.
- 10.4.2 Until an Enforcement Event is continuing, the Security Agent may not require the disclosure of any information from any party regarding any contractual arrangements underlying or constituting any Chargor's Book Debts (except in relation to any Book Debts owing pursuant to Intra-Group Loan Agreements) nor require any Chargor to serve notice of the security created by this Deed on any contractual counterparty.

11. **BANK ACCOUNTS AND BLOCKED ACCOUNTS**

This Clause 11 shall not apply to the Third Party Security Provider.

11.1 **Bank Accounts - Operations before an Enforcement Event**

Notwithstanding the fixed charge created by Clause 3 (*Fixed charges*), each Chargor shall prior to the occurrence of an Enforcement Event be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account, subject to the terms of the Finance Documents.

11.2 **Bank Accounts - Operations after an Enforcement Event**

On the occurrence of an Enforcement Event which is continuing, no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account except with the prior consent of the Security Agent.

11.3 **Proceeds**

If an amount is withdrawn or transferred from a Bank Account as permitted by Clause 11.1 (*Operations before an Enforcement Event*) above, that amount shall be automatically released from the fixed charge on that Bank Account on that withdrawal or transfer being made. However, if all or part of that amount is paid into another Bank Account which is in credit or becomes in credit as a result, it shall automatically become subject to the fixed charge on that Bank Account.

11.4 **Account Bank of Blocked Accounts**

Bidco must maintain its Blocked Accounts with the Security Agent (or an Affiliate of the Security Agent) or such other bank as may be agreed between Bidco and the Security Agent ("**Account Bank**").

11.5 **Change of Account Bank**

- 11.5.1 If there is a change of Account Bank, the net amount (if any) standing to the credit of the Blocked Accounts maintained with the old Account Bank will be transferred to the corresponding Blocked Accounts maintained with the new Account Bank immediately upon the appointment taking effect and Bidco hereby irrevocably gives all authorisations and instructions necessary for any such transfer to be made.

11.5.2 Bidco:

- (A) must take any action which the Security Agent may reasonably require to facilitate a change of Account Bank and any transfer of credit balances (including the execution of bank mandate forms); and
- (B) irrevocably appoints the Security Agent as its attorney to take any such action reasonably required by the Security Agent in accordance with

paragraph (A) above if Bidco should fail to do so within 10 Business Days of notice of such failure to comply.

11.6 Blocked Accounts - Operations

- 11.6.1 Bidco may not withdraw any moneys (other than interest) standing to the credit of any Blocked Account without the prior consent of the Security Agent.
- 11.6.2 Prior to the occurrence of an Enforcement Event, the Security Agent may not withdraw any moneys (including interest) standing to the credit of any Blocked Account.
- 11.6.3 On the occurrence of an Enforcement Event which is continuing, the Security Agent (or a Receiver or Delegate) may (subject to the payment of any claims having priority to this Security as determined at law and subject to the Intercreditor Agreement) withdraw amounts standing to the credit of any Blocked Account.
- 11.6.4 If any amount is withdrawn from a Blocked Account in accordance with Clauses 11.6.1 and 11.6.2, that amount shall be automatically released from the fixed charge on the relevant Blocked Account.

11.7 Notice of Assignment

- 11.7.1 Each Chargor shall within five Business Days from the date of this Deed (and in respect of any Bank Accounts or Blocked Accounts which it has an interest in after the date of this Deed, within 5 Business Days of the date it acquires that interest) (but subject to Clause 11.7.2 below), give notice of the security created over its Bank Accounts and Blocked Accounts to the banks or financial institutions with whom those Bank Accounts or Blocked Accounts are held, by sending an appropriate notice in the form set out in Part C of Schedule 6 (*Bank Accounts and Blocked Accounts*), with such amendments as the Security Agent may reasonably agree and shall use its reasonable endeavours for a period of 20 Business Days from the date of dispatch to ensure that each recipient of any notice promptly signs and returns the form of acknowledgement requested under the notice. If the Chargor has used its reasonable endeavours but has not been able to obtain such acknowledgement, its obligation to obtain acknowledgement shall cease at the end of that 20 Business Day period.
- 11.7.2 Each Chargor shall as soon as reasonably practicable, and in any event within five Business Days from the date of dispatch of each notice sent pursuant to Clause 11.7.1 above, provide evidence to the Security Agent of delivery of that notice.
- 11.7.3 The execution of this Deed by the parties hereto shall constitute notice to, and acknowledgment by, the Security Agent of the Security created by Clause 3.1.3 (*Fixed Charges*) over any Blocked Account maintained by Bidco with the Security Agent at any of its branches and confirmation by the Security Agent of the matters set out in paragraphs (a) to (e) of the form of notice in Part C of Schedule 6 (*Bank Accounts and Blocked Accounts*).
- 11.7.4 Unless requested by the Security Agent where an Enforcement Event has occurred, no Chargor shall be required to serve any notice under Clause 11.7.1 above in respect of any Bank Account if service of that notice would prevent the Chargor from using that Bank Account in the ordinary course of its business.
- 11.7.5 The Security Agent shall not be entitled to give any notice referred to in Part C of Schedule 6 (*Bank Accounts and Blocked Accounts*) to withdraw its consent to the making of withdrawals by the Chargor in respect of its Bank Accounts, unless and until an Enforcement Event has occurred.

11.8 Prior security interests of account banks

The Charges created by this Deed over Bank Accounts and Blocked Accounts are subject to any pre-existing security interest in favour of the Account Bank created at law or in the standard terms and conditions of the Account Bank. The Security Agent may request that these security interests be waived, but no Chargor shall be required to change its banking arrangements if these security interests are not waived or only partially waived.

11.9 Right to close Bank Accounts

Notwithstanding anything to the contrary contained in this Deed and subject to the terms of the Finance Documents, until the occurrence of an Enforcement Event or any of the circumstances described in Clause 4.4 (*Conversion by notice*) have arisen in respect of the relevant accounts, each Chargor shall be entitled to close any of its Bank Accounts which are no longer required by the Group.

12. INVESTMENTS

For the purpose of this Clause 12, "Investment" refers to the Investments of a Chargor that are the subject of the Charges.

12.1 Documents

12.1.1 To the extent not already deposited with the Security Agent pursuant to the Existing Debentures, subject to Clause 12.1.2, each Chargor shall within five Business Days of the date of this Deed (and, in respect of future Investments, within five Business Days of the acquisition or subscription by the applicable Chargor), except to the extent the Security Agent notifies that Chargor from time to time to the contrary, execute, deliver and/or deposit with the Security Agent, or as it directs, all certificates or other documents representing its Investments including transfers in respect of such Investments executed in blank.

12.1.2 Where any Investment is Permitted Acquisition Shares and stamp duty is payable in respect of such Permitted Acquisition Shares, the relevant Chargor shall within five Business Days of receipt by such Chargor of the stamped stock transfer form in respect of such Permitted Acquisition Shares, except to the extent the Security Agent notifies the Chargor from time to time to the contrary, execute, deliver and/or deposit with the Security Agent, or as it directs, all certificates or other documents representing such Permitted Acquisition Shares including transfers in respect of such Permitted Acquisition Shares executed in blank.

12.2 Voting before enforcement

Subject to Clause 12.3 (*Voting after enforcement*), each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment in a manner which does not affect the validity or enforceability of the Charges in a materially adverse manner or cause an Event of Default to occur.

12.3 Voting after enforcement

At any time while an Enforcement Event is continuing:

12.3.1 the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment in such manner as it or he sees fit; and

12.3.2 each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights.

12.4 **Dividends before enforcement**

Prior to the occurrence of an Enforcement Event, all Dividends and other distributions paid or payable in respect of any Investment owned by each Chargor (whether held in certificated or uncertificated form) may be paid directly to the relevant Chargor free from the security created under Clause 3.1.3(D) (*Fixed Charges*) subject to the terms of the Finance Documents.

12.5 **Dividends after enforcement**

At any time after an Enforcement Event has occurred:

12.5.1 each Chargor (other than the Third Party Security Provider) shall hold any Dividend received by it; and

12.5.2 the Third Party Security Provider shall hold:

- (A) any Dividend declared or received (in each case in relation to its Investments) at any time after such Enforcement Event; and
- (B) any Dividend declared but not received (in relation to its Investments) prior to such Enforcement Event,

in each case on trust for the Secured Creditors and pay the same immediately to the Security Agent or as it may direct. The Security Agent shall be entitled to apply the same as permitted in accordance with the terms of the Finance Documents.

12.6 **Power of attorney**

If any Investment of a Chargor is not held in that Chargor's name, that Chargor shall promptly after the occurrence of an Enforcement Event, execute and deliver to the Security Agent an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Investment is held. That power of attorney shall appoint the Security Agent, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Agent requires.

12.7 **Communications**

Following the occurrence of an Enforcement Event, each Chargor shall promptly execute and/or deliver to the Security Agent a copy of each circular, notice, report, set of accounts or other document received by it or its nominee in connection with any Investment, as the Security Agent requires.

12.8 **Register of members**

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated, each Chargor shall procure that no company whose shares are subject to the Charges purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

12.9 **Chargors with defined benefit pension schemes**

12.9.1 The Security Agent may, in its absolute discretion and without any consent or authority from the Chargors, at any time, by notice to a Chargor (which notice shall be irrevocable), elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Investments conferred or to be conferred on the Security Agent pursuant to Clause 3.1.3(D) (*Fixed Charges*).

12.9.2 Once a notice has been issued by the Security Agent under Clause 12.9.1, on and from the date of such notice the Security Agent shall cease to have the right to exercise (or refrain from exercising) voting rights and powers conferred or to be conferred on it pursuant to Clause 12 (*Investments*) or any other provision of this

Deed in respect of the Investments specified in that notice and all such rights will be exercisable by the relevant Chargor. Each Chargor shall be entitled on and from the date of such notice, to exercise all voting rights and powers in relation to the Investments specified in that notice provided that:

- (A) the Chargors shall not exercise (or direct the exercise of) any voting rights in any manner which, in the reasonable opinion of the Security Agent, may prejudice the value of, or the ability of the Security Agent to realise, the security over the Investments created pursuant to this Deed; and
- (B) the Chargors shall not, without the prior written consent of the Security Agent, permit or agree to any variation of the rights attaching to or conferred by any of the Investments, participate in a rights issue, elect to receive or vote in favour or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895 to 901 (inclusive) of the Companies Act 2006.

12.10 Nominees

Each Chargor represents and warrants that it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments.

13. ASSIGNED AGREEMENTS

The application of this Clause 13 to the Third Party Security Provider shall only be in relation to: (i) the Structural Intra-Group Loan Agreements; and (ii) any loan made by the Parent, as lender, to any member of the Group.

13.1 Each Chargor will:

- 13.1.1 prior to the occurrence of an Enforcement Event, be free to deal with the Assigned Agreements, subject to the terms of the Finance Documents;
- 13.1.2 within five Business Days after the execution of this Deed (and in respect of future Assigned Agreements, within 5 Business Days of their execution) (but subject to Clause 13.3), give notice to the other parties to the Assigned Agreements that it has assigned its rights under the Assigned Agreements to the Security Agent under this Deed. Such notice will be given in substantially the form set out in Schedule 7 (*Forms of notice to counterparties of Assigned Agreements*). Each relevant Chargor will use all reasonable endeavours to procure that each party served with any such notice countersigns and returns the notice to the Security Agent within 20 Business Days of service and, where such party is a member of the Group the relevant Chargor will use its reasonable endeavours to procure that such party countersigns and returns the notice to the Security Agent on the date of service. If the Chargor has used its reasonable endeavours but has not been able to obtain such acknowledgement, its obligation to obtain acknowledgement shall cease at the end of that 20 Business Day period; and
- 13.1.3 as soon as reasonably practicable, and in any event within five Business Days from the date of dispatch of each notice sent pursuant to Clause 13.1.2 above, provide evidence to the Security Agent of delivery of that notice.

13.2 Each Chargor shall remain liable to perform all its obligations under the Assigned Agreements. Neither the Security Agent nor any Receiver or Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Assigned Agreement. In particular, the Security Agent shall not be obliged to take any steps necessary to preserve any of the Assigned Agreements or to enforce any term of the Assigned Agreements against any person, or to make any enquires as to the nature or sufficiency of any payment received by it pursuant to this Deed.

- 13.3 Unless requested by the Security Agent where an Enforcement Event has occurred, no Chargor shall be required to serve any notice under Clause 13.1.2 above in respect of any receivable if service of that notice would prevent the Chargor from dealing with that receivable in the ordinary course of its business.
- 13.4 Each Chargor which is a party to an Assigned Agreement shall be free to deal with any receivables arising under such Assigned Agreement until the occurrence of an Enforcement Event and subject to the terms of the Finance Documents.
- 13.5 The Security Agent shall not be entitled to give any notice referred to in paragraph 1 of Schedule 7 (*Forms of notice to counterparties of Assigned Agreements*) unless and until an Enforcement Event has occurred.
- 13.6 The execution of this Deed by the parties hereto shall constitute notice to, and acknowledgment by, Bidco of the Security created by the Third Party Security Provider over all its rights to and title and interests in any Structural Intra-Group Loan Agreement entered into between the Third Party Security Provider and Bidco and confirmation by the Third Party Security Provider of the matters set out in paragraphs (a) to (d) of the form of notice in Schedule 7 (*Forms of notice to counterparties of Assigned Agreements*).

14. REPRESENTATIONS AND WARRANTIES

14.1 General representations and warranties

Each Chargor represents and warrants to the Security Agent that:

- 14.1.1 in respect of that Chargor, the assets listed in Schedule 3 (*Real Estate*) to Schedule 6 (*Bank Accounts and Blocked Accounts*) are all of the relevant class of assets in which it has an interest;
- 14.1.2 the shares described in Schedule 4 (*Investments*) and any Investments which become Charged Assets following the date of this Deed are free from any restrictions as to transfer or registration and are not subject to any calls or other liability to pay money; and
- 14.1.3 it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments.

14.2 Times for making representations and warranties

The representations and warranties set out in Clause 14.1 (*General representations and warranties*) are made on the date of this Deed and the representations and warranties set out in Clauses 14.1.2 and 14.1.3 are deemed to be repeated at the times the Repeating Representations are deemed to be made under paragraph (b) of Clause 21.34 (*Times when representations made*) of the Facilities Agreement by reference to the facts and circumstances then existing.

15. ENFORCEMENT

15.1 When enforceable

As between the Chargors and the Security Agent, the Charges shall be enforceable, and the powers conferred by Section 101 of the LPA as varied and extended by this Deed shall be exercisable, while an Enforcement Event is continuing.

15.2 Power of sale

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

15.3 Section 103

Section 103 of the LPA shall not apply to this Deed.

15.4 **Power of Leasing**

The statutory powers of leasing may be exercised by the Security Agent at any time on or after the occurrence of an Enforcement Event and the Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

15.5 **No prior notice needed**

The powers of the Security Agent set out in Clauses 15.1 to 15.4 (inclusive) and 23.3 may be exercised by the Security Agent without prior notice to the Chargors.

16. **APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS**

16.1 **Appointment of Receivers**

If:

- 16.1.1 requested by any Chargor; or
- 16.1.2 any corporate action, legal proceedings or other procedure or step is taken in relation to the administration of any Chargor; or
- 16.1.3 any other Enforcement Event is continuing (whether or not the Security Agent has taken possession of the Charged Assets),

without any notice or further notice, the Security Agent may, by deed, or otherwise in writing signed by any officer or manager of the Security Agent or any person authorised for this purpose by the Security Agent, appoint one or more persons to be a Receiver of all or any part of the Charged Assets. The Security Agent may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under Part A1 of the Insolvency Act 1986 nor the doing of anything for or by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as, a ground under this Deed for the appointment of a Receiver save where such an appointment would be permitted under that Part A1.

16.2 **Scope of appointment**

Any Receiver may be appointed Receiver of all of the Charged Assets or Receiver of a part of the Charged Assets specified in the appointment. In the latter case, the rights conferred on a Receiver as set out in Schedule 2 (*Rights of Receivers*) shall have effect as though every reference in that Schedule to any Charged Assets were a reference to the part of those assets so specified or any part of those assets. The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Security Agent) appointing him but they shall not be restricted by any winding-up or dissolution of a Chargor.

16.3 **Rights of Receivers**

Any Receiver appointed pursuant to this Clause 16 shall have the rights, powers, privileges and immunities conferred by law, including the Insolvency Act on administrative or other receivers duly appointed under the Insolvency Act, and shall also have the rights set out in Schedule 2 (*Rights of Receivers*).

16.4 **Appointment of Administrators**

Paragraph 14 of Schedule B1 to the Insolvency Act applies to this Deed and the Security Agent may appoint an Administrator of each Chargor (other than the Third Party Security Provider) pursuant to that paragraph.

16.5 **Agent of Chargor**

Any Receiver shall be the agent of the relevant Chargor for all purposes. That Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by the Receiver.

16.6 **Remuneration of Receivers**

The Security Agent may reasonably determine the remuneration of any Receiver (and without being limited to any maximum rate specified by any statute or statutory instrument) and direct payment of that remuneration out of moneys he receives as Receiver. The relevant Chargor alone shall be liable for the remuneration and all other reasonable costs, losses, liabilities and expenses of the Receiver.

17. **SECURITY AGENT'S RIGHTS**

17.1 **Same rights as Receiver**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an Administrator after the Charges become enforceable in accordance with Clause 15.1 (*When enforceable*), whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Assets.

17.2 **Delegation**

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit.

17.3 **Financial collateral arrangement**

17.3.1 To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Agent shall have the right at any time after the Charges have become enforceable, to appropriate any Charged Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit in or towards satisfaction of the Secured Obligations in accordance with the Financial Collateral Regulations.

17.3.2 If the Security Agent is required to value any Financial Collateral for the purpose of Clause 17.3.1 above, the value shall be:

- (A) in the case of cash, its face value at the time of appropriation; and
- (B) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation as determined (after appropriation) by an independent investment bank, firm of accountants or other valuers appointed by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as such valuer may select,

as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent. The Parties agree that the methods of valuation set out in this Clause 17.3.2 are commercially reasonable for the purpose of the Financial Collateral Regulations.

- 17.3.3 The Security Agent shall notify the relevant Chargor as soon as reasonably practicable of the exercise of its right of appropriation pursuant to Clause 17.3.1 as regards to the Financial Collateral.

18. ORDER OF DISTRIBUTIONS

18.1 Application of proceeds

All amounts received or recovered by the Security Agent or any Receiver or Delegate in exercise of their rights under this Deed shall, subject to the rights of any creditors having priority, be applied in the order provided in Clause 18.2 (*Order of distributions*).

18.2 Order of distributions

The order referred to in Clause 18.1 (*Application of proceeds*) is in accordance with clause 18 (*Application of Proceeds*) of the Intercreditor Agreement.

19. LIABILITY OF SECURITY AGENT, RECEIVERS AND DELEGATES

19.1 Possession

If the Security Agent, any Receiver or any Delegate takes possession of the Charged Assets, it or he may at any time relinquish possession. Without prejudice to Clause 19.2 (*Security Agent's liability*), neither the Security Agent, any Receiver nor any Delegate shall be liable as a mortgagee in possession by reason of viewing or repairing any of the present or future assets of any Chargor. Furthermore, the Security Agent shall not, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Security Agent under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of the LPA are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Security Agent shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

19.2 Security Agent's liability

Neither the Security Agent nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor, any Secured Creditor or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with the Finance Documents except to the extent caused by its or his own gross negligence or wilful misconduct. Any Receiver, Delegate or their respective officers, employees or agents may rely on this Clause subject to Clause 1.2 (*Third Party Rights*) and the provisions of the Third Parties Act.

20. POWER OF ATTORNEY

20.1 Appointment

Each Chargor by way of security irrevocably appoints the Security Agent, every Receiver and every Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- 20.1.1 to do anything which that Chargor is obliged to do (but has not done) under any further assurance or perfection clause under this Deed within 10 Business Days of being notified of that failure and being requested to comply (including to execute charges over, transfers, conveyances, assignments and assurances of,

and other instruments, notices, orders and directions relating to, the Charged Assets); and

- 20.1.2 following an Enforcement Event, to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Assets or under any Finance Document, the LPA or the Insolvency Act.

20.2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 20.1 (*Appointment*).

21. **PROTECTION OF THIRD PARTIES**

21.1 **No duty to enquire**

No purchaser or other person dealing with the Security Agent, any other Secured Creditor, any Receiver or any Delegate shall be concerned to enquire:

- 21.1.1 whether the powers conferred on the Security Agent, any Receiver or its agents have arisen;
- 21.1.2 whether the powers conferred on the Security Agent, any Receiver or its agents have become exercisable;
- 21.1.3 whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- 21.1.4 whether the Security Agent, any Receiver or its agents is acting within such powers;
- 21.1.5 whether any money remains due under the Finance Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- 21.1.6 as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- 21.1.7 as to the application of any money paid to the Security Agent, any Receiver or its agents.

21.2 **Protection to purchasers**

All the protection to purchasers contained in Sections 104, 107 and 109(4) of the LPA, Section 42(3) of the Insolvency Act or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Creditor, any Receiver or any Delegate.

21.3 **Receipt: conclusive discharge**

The receipt of the Security Agent or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

22. **SAVING PROVISIONS**

22.1 **Continuing Security**

Subject to Clause 23 (*Discharge of Security*), the Charges are continuing Security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

22.2 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or Obligor or any security for those obligations or otherwise) is made by a Secured Creditor in whole or in part on the basis of any payment, security or other disposition which

is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor and Obligor and the Charges shall continue or be reinstated as if the discharge, release or arrangement had not occurred.

22.3 Waiver of defences

Neither the obligations of each Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document of any of the Charges (without limitation and whether or not known to it or any Secured Creditor) including:

- 22.3.1 any time, waiver or consent granted to, or composition with, any Chargor, Obligor or other person;
- 22.3.2 the release of any other Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- 22.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor, Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 22.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, Obligor or any other person;
- 22.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 22.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
- 22.3.7 any insolvency or similar proceedings.

22.4 Chargor intent

Without prejudice to the generality of Clause 22.3 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Charges shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

22.5 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

22.6 Appropriations

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated, each Secured Creditor (or any trustee or agent on its behalf) may:

- 22.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- 22.6.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

22.7 **Deferral of Chargors' rights**

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- 22.7.1 to be indemnified by an Obligor;
- 22.7.2 to claim any contribution from any other Chargor or Guarantor of any Obligor's obligations under the Finance Documents;
- 22.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Creditors under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Creditor;
- 22.7.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor had given an guarantee, undertaking or indemnity;
- 22.7.5 to exercise any right of set-off against any Obligor; and/or
- 22.7.6 to claim or prove as a creditor of any Obligor in competition with any Secured Creditor.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Creditors by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Creditors and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 18 (*Order of distributions*).

22.8 **Additional Security**

The Charges are in addition to and are not in any way prejudiced by any other guarantees or security now or subsequently held by any Secured Creditor.

22.9 **Tacking**

Each Secured Creditor shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

23. **DISCHARGE OF SECURITY**

23.1 **Final redemption**

Subject to Clause 23.2 (*Retention of Security*), and without prejudice to the circumstances in which all or part of the Charged Assets may be released as contemplated by the Finance Documents, if the Security Agent is satisfied that all the amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Obligations have terminated, the Security Agent shall at the request and cost of the Chargors release, reassign or discharge (as appropriate) the Charged Assets from the

Charges, without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

23.2 Retention of security

If the Security Agent considers that any amount paid or credited to any Secured Creditor under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.

23.3 Consolidation

Section 93 of the LPA shall not apply to the Charges. The Security Agent shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Security Agent at any time on or after the occurrence of an Enforcement Event. The Chargors hereby consent to the Security Agent making an application to the Chief Land Registrar on Form CC for registration against the registered titles (if any) specified in Schedule 3 (*Real Estate*) (and unregistered Real Estate subject to compulsory first registration at the date of this Deed and any other Real Estate from time to time including a registered title) of the right to consolidate.

24. ENFORCEMENT EXPENSES

Clause 19 (*Costs and expenses*) of the Facilities Agreement shall apply to any amount payable under this Deed to the Security Agent, any Receiver or any Delegate.

25. PAYMENTS

25.1 Demands

Any demand for payment made by any Secured Creditor shall be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

25.2 Payments

All payments by any Chargor under this Deed (including damages for its breach) shall be made in the Currency of Account and to such account, with such financial institution and in such other manner as the Security Agent may direct.

25.3 Continuation of accounts

At any time after:

25.3.1 a Secured Creditor has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Assets of any Chargor; or

25.3.2 the presentation of a petition or the passing of a resolution in relation to the winding-up of any Chargor,

any Secured Creditor may open a new account in the name of that Chargor with that Secured Creditor (whether or not it permits any existing account to continue). If that Secured Creditor does not open such a new account, it shall nevertheless be treated as if it had done so when notice was received or deemed to be received and as from that time all payments made by or on behalf of that Chargor to that Secured Creditor shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

25.4 **Joint and several liability**

The liability of each Chargor under this Deed shall be joint and several. Each agreement and undertaking of any Chargor shall be construed accordingly.

25.5 **Contingencies**

If all or any part of the Security is enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

25.6 **Interest**

25.6.1 Each Chargor hereby agrees to pay to the Security Agent, in respect of any amount demanded from it in accordance with this Deed (to the extent that interest on such amount is not otherwise being paid pursuant to any agreement between the Chargor and the relevant Secured Creditor) interest from first demand by the Security Agent of the Chargor:

- (A) at the rate of interest payable or deemed to be payable by the Chargor in respect of the amount demanded as calculated and compounded in accordance with any agreement (including the Facilities Agreement) between the relevant Secured Creditor and the Chargor with respect to such amount; or
- (B) failing such agreement, at the rate per annum which is one per cent. (1%) per annum above the interest cost to the relevant Secured Creditor (as conclusively determined by that Secured Creditor) of funding the amount demanded, such interest being calculated daily on the basis of a 365 day year and compounded at monthly rests.

25.6.2 Such interest shall accrue due on a daily basis from the demand by the Security Agent until actual payment by the relevant Chargor (both before and after any further demand or judgment or the liquidation of the Chargor).

26. **RIGHTS, WAIVERS AND DETERMINATIONS**

26.1 **Ambiguity**

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to any Finance Document, the terms of that Finance Document shall prevail.

26.2 **Exercise of rights**

No failure to exercise, nor any delay in exercising, on the part of any Secured Creditor, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Secured Creditor, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

26.3 **Determinations**

Any certification or determination by any Secured Creditor or any Receiver or Delegate of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

26.4 **Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in accounts maintained by the Security Agent in connection with this Deed are *prima facie* evidence of the matters to which they relate.

27. **PARTIAL INVALIDITY**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

28. **SEPARATE AND INDEPENDENT OBLIGATIONS**

28.1.1 Subject to Clause 28.1.2 below, the Security created by each Chargor by or in connection with any Finance Document is separate from and independent of the Security created or intended to be created by any other Chargor by or in connection with any Finance Document.

28.1.2 Any reference in this Deed to a "Chargor" in relation to any Charged Asset is, if that Chargor holds any right, title or interest in that Charged Asset jointly with any other Chargor, a reference to those Chargors jointly.

29. **AMENDMENT OF INITIAL DEBENTURE**

The Initial Debenture shall be amended by deleting the definition of "Bank Accounts" in clause 1.1 (*Definitions*) of the Initial Debenture in its entirety and replacing it with:

""**Bank Accounts**" means, in relation to a Chargor, all its right, title and interest from time to time in and to the accounts set out in Part A of Schedule 6 (*Bank Accounts and Blocked Accounts*) and all current, deposit or other accounts with any bank or financial institution (other than (i) a Blocked Account or (ii) any account set up solely for the purpose of holding cash collateral to secure indebtedness that is Permitted Financial Indebtedness under paragraph (m) of that definition in clause 1.1 (*Definitions*) of the Facilities Agreement), all balances from time to time standing to the credit of or accrued or accruing on those accounts and all Related Rights.".

30. **CONTINUATION**

30.1.1 Except insofar as supplemented and amended hereby, the Existing Debentures will remain in full force and effect.

30.1.2 Each Chargor agrees that the execution of this Deed shall in no way prejudice or affect the Security granted by it (or the covenants given by it) under the Existing Debentures.

31. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

32. **ENFORCEMENT**

Jurisdiction of English courts

32.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

32.1.2 Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Chargor will argue to the contrary.

32.1.3 This Clause 32 is for the benefit of the Secured Creditors only. As a result, no Secured Creditor shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Creditors may take concurrent proceedings in any number of jurisdictions.

33. **GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

This Deed has been delivered on the date stated at the beginning of this Deed.

SCHEDULE 1
THE CHARGORS

| Name of Chargor | Registration number (or equivalent, if any) |
|---------------------------------|--|
| Honour Project Midco Limited | 11166092 |
| Honour Project Bidco Limited | 11166417 |
| Hesley Holdings Limited | 06540655 |
| Hesley Care & Education Limited | 05150235 |
| The Hesley Group Limited | 02665377 |

SCHEDULE 2

RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 16 (*Appointment and rights of Receivers and Administrators*) shall have the right, either in its own name or in the name of the relevant Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

1. **ENTER INTO POSSESSION**

To take possession of, get in and collect all or any part of the Charged Assets, and to require payment to it or to any Secured Creditor of any Book Debts or credit balance on any Bank Account.

2. **BANK ACCOUNTS**

To apply, transfer or set-off any or all of the credit balances from time to time on any Bank Account in or towards payment or other satisfaction of all or part of the Secured Obligations.

3. **CARRY ON BUSINESS**

To manage and carry on any business of that Chargor.

4. **CONTRACTS**

To enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which that Chargor is a party.

5. **DEAL WITH CHARGED ASSETS**

To sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Charged Assets to any person (including a new company formed pursuant to paragraph 6 (*Hive down*)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred).

6. **HIVE DOWN**

To form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or part thereof or any rights attaching thereto.

7. **BORROW MONEY**

To borrow or raise money either unsecured or on the security of all or any part of the Charged Assets (either in priority to the Charges or otherwise).

8. **LEND MONEY**

To lend money or advance credit to any person.

9. **COVENANTS AND GUARANTEES**

To enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them.

10. **DEALINGS WITH TENANTS**

To grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons (including a new company formed pursuant to paragraph 6 (*Hive down*)) from whom any rents and profits may be receivable (including those relating to the

grant of any licences, the review of rent in accordance with the terms of, and the variation of, the provisions of any leases, tenancies, licences or rights of user affecting the Charged Assets).

11. **RIGHTS OF OWNERSHIP**

To manage and use all or any part of the Charged Assets and to exercise and do (or permit that Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Charged Assets.

12. **INSURANCE, REPAIRS, IMPROVEMENTS ETC.**

To insure all or any part of the Charged Assets, to carry out decorations, repairs, alterations, improvements and additions to the Charged Assets (including the development or redevelopment of any real property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Charged Assets.

13. **CLAIMS**

To settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of that Chargor or relating to the Charged Assets.

14. **LEGAL ACTIONS**

To bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to all or any part of the Charged Assets or any business of that Chargor.

15. **REDEMPTION OF SECURITY**

To redeem any Security (whether or not having priority to the Charges) over all or any part of the Charged Assets and to settle the accounts of any person with an interest in all or any part of the Charged Assets.

16. **EMPLOYEES ETC.**

To appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by that Chargor.

17. **DELEGATION**

To delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate.

18. **INSOLVENCY ACT**

To exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed.

19. **RECEIPTS**

To give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Charged Assets.

20. **OTHER POWERS**

To do anything else he may think fit for the realisation of all or any part of the Charged Assets or incidental to the exercise of any of the rights conferred on the Receiver (whether as receiver, mortgagor, mortgagees in possession or otherwise) under or by virtue of any Finance Document to which the relevant Chargor is party, the LPA or the Insolvency Act.

**SCHEDULE 3
REAL ESTATE**

| | Name of Chargor / Registered Proprietor | Tenure | Address of Property | Title Number |
|-----|--|---------------|---|---------------------|
| 1. | The Hesley Group Limited (company no. 02665377) | FH | The Old Cottage, Wilsic, Doncaster (DN11 9AG) | SYK4267 |
| 2. | The Hesley Group Limited (company no. 02665377) | FH | Wilsic Hall, Wilsic Road, Tickhill, Doncaster (DN11 9AG) | SYK56687 |
| 3. | The Hesley Group Limited (company no. 02665377) | FH | 1 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK80199 |
| 4. | The Hesley Group Limited (company no. 02665377) | FH | The Barn House, Wilsic, Doncaster (DN11 9AG) | SYK165455 |
| 5. | The Hesley Group Limited (company no. 02665377) | FH | 32 Tickhill Square, Denaby Main, Doncaster (DN12 4AW) | SYK187999 |
| 6. | The Hesley Group Limited (company no. 02665377) | FH | 2 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK258632 |
| 7. | The Hesley Group Limited (company no. 02665377) | FH | The Cottage, Wilsic Hall, Wilsic, Doncaster (DN11 9AG) | SYK276925 |
| 8. | The Hesley Group Limited (company no. 02665377) | FH | 6 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK282186 |
| 9. | The Hesley Group Limited (company no. 02665377) | FH | 12 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK286741 |
| 10. | The Hesley Group Limited (company no. 02665377) | FH | 8 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK286856 |
| 11. | The Hesley Group Limited (company no. 02665377) | FH | 10 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK289488 |
| 12. | The Hesley Group Limited (company no. 02665377) | FH | 4 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK294108 |
| 13. | The Hesley Group Limited (company no. 02665377) | FH | 33 Tickhill Square, Denaby Main, Doncaster (DN12 4AW) | SYK296249 |
| 14. | The Hesley Group Limited (company no. 02665377) | FH | 1 and 3 Wheatley Place, Denaby Main, Doncaster (DN12 4AX) | SYK413155 |
| 15. | The Hesley Group Limited (company no. 02665377) | FH | 4a Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK413999 |
| 16. | The Hesley Group Limited (company no. 02665377) | FH | 3 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK414881 |
| 17. | The Hesley Group Limited (company no. | FH | 49 King Street, Thorne, Doncaster | SYK460697 |

| | | | | |
|-----|---|----|--|-----------|
| | 02665377) | | (DN8 5AU) | |
| 18. | The Hesley Group Limited (company no. 02665377) | FH | 4 Foundry View, Queen Street, Thorne, Doncaster (DN8 5AX) | SYK495331 |
| 19. | The Hesley Group Limited (company no. 02665377) | FH | 5 Foundry View, Queen Street, Thorne, Doncaster (DN8 5AX) | SYK503614 |
| 20. | The Hesley Group Limited (company no. 02665377) | FH | 1 and 2 Low Laithes Cottages, Wombwell Lane, Wombwell, Barnsley (S73 8EH) | SYK509065 |
| 21. | The Hesley Group Limited (company no. 02665377) | FH | Low Laithes Village, Old Farm Lane, Wombwell, Barnsley (S73 8SU) | SYK509978 |
| 22. | The Hesley Group Limited (company no. 02665377) | FH | Land to the west of Wilsic Road, Wilsic | SYK511583 |
| 23. | The Hesley Group Limited (company no. 02665377) | FH | Land lying to the west side of Wilsic Road, Wilsic, Doncaster | SYK538545 |
| 24. | The Hesley Group Limited (company no. 02665377) | FH | Land on the west side of Hesley Hall, Hesley, Doncaster (DN11 9HH) | SYK547210 |
| 25. | The Hesley Group Limited (company no. 02665377) | FH | 45/47, King Street, Thorne, Doncaster (DN8 5AU) | SYK549737 |
| 26. | The Hesley Group Limited (company no. 02665377) | FH | Land lying to the north west of Hesley Hall Farm, Hesley, Doncaster | SYK551663 |
| 27. | The Hesley Group Limited (company no. 02665377) | FH | Land at Fullerton House School, Stainton Street, Denaby Main, Doncaster (DN12 4AR) | SYK646746 |
| 28. | The Hesley Group Limited (company no. 02665377) | LH | 1 and 2 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK642520 |
| 29. | The Hesley Group Limited (company no. 02665377) | LH | Fullerton View, 3 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK642521 |
| 30. | The Hesley Group Limited (company no. 02665377) | LH | 4, 4a and, 6 Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK642522 |
| 31. | The Hesley Group Limited (company no. 02665377) | LH | 8 to 12 (even), Stainton Street, Denaby Main, Doncaster (DN12 4AP) | SYK642524 |
| 32. | The Hesley Group Limited (company no. 02665377) | LH | 32 Tickhill Square, Denaby Main, Doncaster (DN12 4AW) | SYK642525 |
| 33. | The Hesley Group Limited (company no. 02665377) | LH | 33 Tickhill Square, Denaby Main, Doncaster (DN12 4AW) | SYK642526 |

| | | | | |
|-----|--|----|--|-----------|
| 34. | The Hesley Group Limited (company no. 02665377) | LH | 49 King Street, Thorne, Doncaster (DN8 5AU) | SYK642527 |
| 35. | Hesley Care & Education Limited (formerly known as Hesley Holdings Limited) (company no. 05150235) | FH | Hesley Hall, Hesley, Doncaster (DN11 9HH) | SYK8668 |
| 36. | Hesley Care & Education Limited (formerly known as Hesley Holdings Limited) (company no. 05150235) | FH | Fullerton House School, The Lodge, Denaby Main | SYK229756 |
| 37. | Hesley Care & Education Limited (formerly known as Hesley Holdings Limited) (company no. 05150235) | FH | Fullerton House School, Stainton Street, Denaby Main (DN12 4AR) | SYK292226 |
| 38. | Hesley Care & Education Limited (formerly known as Hesley Holdings Limited) (company no. 05150235) | FH | Chauffeurs Cottage, Hesley, Doncaster (DN11 9HH) | SYK384270 |
| 39. | Hesley Care & Education Limited (formerly known as Hesley Holdings Limited) (company no. 05150235) | FH | Red House Tickhill Square, Denaby Main, Doncaster (DN12 4AW) | SYK390854 |
| 40. | Hesley Holdings Limited (company no. 06540655) | FH | Hesley Hall Farm, Hesley, Doncaster (DN11 9HH) | SYK393710 |
| 41. | The Hesley Group Limited (company no. 02665377) | FH | 34 Wheatley Street, Denaby Main, Doncaster (DN12 4AU) (comprising the whole of the land and building within title number SYK591462; together with such title (if any) as the Chargor may have in the land coloured orange on the plan attached to the transfer dated 5 December 2018) | SYK591462 |
| 42. | The Hesley Group Limited (company no. 02665377) | LH | Land at Fullerton House School, Stainton Street, Denaby Main, Doncaster (DN12 4AR) | SYK646751 |
| 43. | The Hesley Group Limited (company no. 02665377) | FH | Copperclay Mews Care Home, Copperclay Walk, Easingwold, York (YO61 3QN) | NYK193361 |
| 44. | The Hesley Group Limited (company no. 02665377) | FH | Land at the bank of 46 Ivy Lane, | WYK806987 |

| | | | | |
|-----|---|----|---|-----------|
| | 02665377) | | Wakefield (WF1 4AZ) | |
| 45. | The Hesley Group Limited (company no. 02665377) | FH | Land on the north east side of 46 Ivy Lane, Wakefield (WF1 4AZ) | WYK694225 |
| 46. | The Hesley Group Limited (company no. 02665377) | FH | Land at Dragonby Road, Scunthorpe | HS397882 |
| 47. | The Hesley Group Limited (company no. 02665377) | FH | Len-Dor, Wheatley Street, Denaby Main, (DN12 4AT) | SYK331674 |
| 48. | The Hesley Group Limited (company no. 02665377) | FH | North side of Flower Park Care Home, Rossington Street, Denaby Main, Doncaster (DN12 4TA) | SYK658669 |
| 49. | The Hesley Group Limited (company no. 02665377) | FH | 226-228 Stanley Road, Wakefield (WF1 4AE) | WYK155205 |
| 50. | The Hesley Group Limited (company no. 02665377) | FH | 228 Stanley Road, Wakefield (WF1 4AE) | WYK220165 |
| 51. | The Hesley Group Limited (company no. 02665377) | FH | 230 Stanley Road, Wakefield (WF1 4AE) | WYK458098 |
| 52. | The Hesley Group Limited (company no. 02665377) | FH | 46 Ivy Lane, Wakefield (WF1 4AZ) | WYK611951 |

SCHEDULE 4

INVESTMENTS

Shares

| Chargor | Charged asset |
|---------------------------------|---|
| Honour Project Midco Limited | 100% of the issued ordinary shares of Honour Project Bidco Limited (company number 11166417) from time to time |
| Honour Project Bidco Limited | 100% of the issued ordinary shares of Hesley Holdings Limited (company number 06540655) from time to time |
| Hesley Holdings Limited | 100% of the issued ordinary shares of Hesley Care & Education Limited (company number 05150235) from time to time |
| Hesley Care & Education Limited | 100% of the issued ordinary shares of The Hesley Group Limited (company number 02665377) from time to time |

SCHEDULE 5

INTRA-GROUP LOAN AGREEMENTS

1. The Structural Intra-Group Loan Agreements.
2. Intra-group loan of £16,109,501 between Hesley Holdings Limited as debtor and Hesley Care & Education Limited as creditor;
3. Intra-group loan of £983,280 between Hesley Care & Education Limited as debtor and The Hesley Group Limited as creditor;
4. Intra-group loan of £8,500 between Hesley Hall Limited as debtor and The Hesley Group Limited as creditor;
5. Intra-group loan of £100 between Hesley Services Limited as debtor and The Hesley Group Limited as creditor;
6. Intra-group loan of £32,995,447 between Honour Project Bidco Limited as debtor and The Hesley Group Limited as creditor;
7. Intra-group loan of £15,764,473 between The Hesley Group Limited as debtor and Hesley Holdings Limited as creditor; and
8. Intra-group loan of £2,327 between Hesley Holdings Limited as debtor and Honour Project Bidco Limited as creditor.

Loan balances listed are inclusive of interest as of 31 March 2022.

SCHEDULE 6**BANK ACCOUNTS AND BLOCKED ACCOUNTS****PART A
DETAILS OF BANK ACCOUNTS**

| Chargor | Name and address of institution at which account is held | Account Number / IBAN | Sort Code |
|---------------------------------|---|------------------------------|------------------|
| Honour Project Bidco Limited | CACEIS Bank, UK Branch Broadwalk House 5 Appold Street London EC2A 2DA For the attention of: Romain Amiot Email [REDACTED] | [REDACTED] | N/A |
| Hesley Holdings Limited | Barclays Bank 2nd Floor, 1 Park Row Leeds, LS1 5AB | [REDACTED] | [REDACTED] |
| Hesley Care & Education Limited | Barclays Bank 2nd Floor, 1 Park Row Leeds, LS1 5AB | [REDACTED] | [REDACTED] |
| The Hesley Group Limited | Barclays Bank 2nd Floor, 1 Park Row Leeds, LS1 5AB | [REDACTED] | [REDACTED] |

PART B
DETAILS OF BLOCKED ACCOUNTS

None as at the date of this deed.

PART C
FORM OF NOTICE TO BANKS OPERATING BANK ACCOUNTS AND BLOCKED ACCOUNTS

To: **[insert name and address of Account Bank]** (the "**Account Bank**")

Dated: [_____]

Dear Sirs

Re: [•] - Security over bank accounts

We notify you that **[insert name of Chargor]** (the "**Chargor**") charged to **[•]** as security agent (the "**Security Agent**") for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by the Chargor (the "**Charged Accounts**") and to all interest (if any) accruing on the Charged Accounts.

We irrevocably authorise and instruct you:

1. to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect:
[insert details of Blocked Account]
2. to continue to deal with the Chargor in relation to the Charged Accounts until you receive written notice to the contrary from the Security Agent. Thereafter, the Chargor will cease to have any right to deal with you in relation to the Charged Accounts and therefore from that time you should deal only with the Security Agent; and
3. to disclose to the Security Agent any information relating to the Chargor and the Charged Accounts which the Security Agent may from time to time request you to provide and to send copies of all notices relating to the Charged Accounts to the Security Agent.

We also advise you that the provisions of this Notice may only be revoked or varied with the prior written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of your confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
- (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Agent;
- (d) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Charged Accounts; and
- (e) you are not aware of any dispute between ourselves and yourselves relating to the Charged Accounts.

By counter-signing this notice the Security Agent confirms that the Chargor may make withdrawals from the Charged Accounts until such time as the Security Agent shall notify you (with a copy to the

charging company) in writing that their permission is withdrawn. That permission may be withdrawn or modified by the Security Agent in its absolute discretion at any time.

The provisions of this notice are governed by English law.

Yours faithfully

By:.....

Name:

Title:

For and on behalf of [***insert name of Chargor***]

Schedule**Account holder**

[*]

Account Number

[*]

Sort Code

[*]

[On acknowledgement copy]

To: [•]

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (e) above.

.....
for and on behalf of
[insert name of Account Bank]

Dated: [_____]

SCHEDULE 7

FORMS OF NOTICE TO COUNTERPARTIES OF ASSIGNED AGREEMENTS

To: **[insert name and address of counterparty]**

Dated: [_____]

Dear Sirs

Re: [here identify the relevant Assigned Agreement] (the "Agreement")

We notify you that **[insert name of Chargor]** (the "**Chargor**") has assigned to [●] as security agent (the "**Security Agent**") for the benefit of itself and certain other banks and financial institutions (the "**Secured Creditors**") all its right, title and interest in the Agreement as security for certain obligations owed by the Chargor to the Secured Creditors.

We further notify you that:

1. you may continue to deal with the Chargor in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent;
2. after receipt of written notice in accordance with paragraph 1 above, you must pay all monies to which the Chargor is entitled under the Agreement direct to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing;
3. to disclose to the Security Agent any information relating to the Chargor and the Agreement which the Security Agent may from time to time request you to provide and to send copies of all notices relating to the Agreement to the Security Agent; and
4. the provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Chargor has assigned its rights under the agreement to a third party or created any other interest (whether by way of security or otherwise) in the agreement in favour of a third party;
- (c) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor any right of set-off, counter-claim or other right relating to the Agreement; and
- (d) you are not aware of any dispute between ourselves and yourselves relating to the Agreement.

The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of
[insert name of Chargor]

[On acknowledgement copy]

To: [•]

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (d) above.

.....

for and on behalf of
[insert name of Counterparty]

Dated: [_____]

THE CHARGORS

EXECUTED as a DEED by
HONOUR PROJECT MIDCO LIMITED
(registration number 11166092)
acting by

C. McHARRY
Name of Director

)
)
)
)
)
)
)



Director

in the presence of:

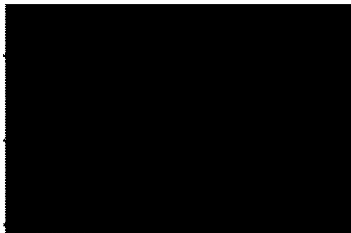
Signature of witness



Name of witness
(in BLOCK CAPITALS)

SHARON BULLOCK

Address



EXECUTED as a DEED by
HONOUR PROJECT BIDCO LIMITED
(registration number 11166417)
acting by

C. McSharry
Name of Director

)
)
)
)
)
)
)

[REDACTED]
Director

in the presence of:

Signature of witness

[REDACTED]

Name of witness
(in BLOCK CAPITALS)

SHARON BULLOCK

Address

[REDACTED]

EXECUTED as a DEED by
HESLEY HOLDINGS LIMITED
(registration number 06540655)
acting by

C. McSherry
Name of Director

)
)
)
)
)
)
)

[Redacted]
Director

in the presence of:

Signature of witness

[Redacted]

Name of witness
(in BLOCK CAPITALS)

SHARON BULLOCK

Address

[Redacted]

EXECUTED as a DEED by
HESLEY CARE & EDUCATION LIMITED
(registration number 05150235)
acting by

C. McSHARRY
Name of Director

)
)
)
)
)
)
)


Director 

in the presence of:

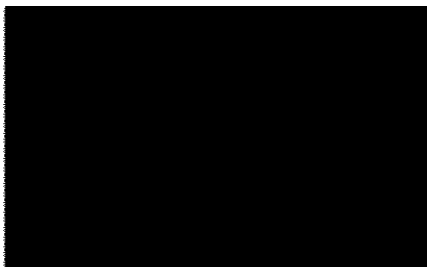
Signature of witness



Name of witness
(in BLOCK CAPITALS)

SHARON BULLOCK

Address



EXECUTED as a DEED by
THE HESLEY GROUP LIMITED
(registration number 02665377)
acting by

C. McSharry
Name of Director

)
)
)
)
)
)
)


Director

in the presence of:

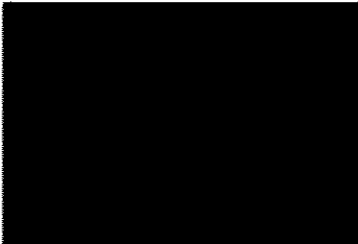
Signature of witness



Name of witness
(In BLOCK CAPITALS)

SHARON BULLOCK

Address



THE SECURITY AGENT

SIGNED for and on behalf of

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

By:



Daisuke Takekawa

Authorised Signatory

Name:

Title: