



Registration of a Charge

Company name: **BLUE MOTOR FINANCE LIMITED**

Company number: **02738187**



X8F5ZUF4

Received for Electronic Filing: **01/10/2019**

Details of Charge

Date of creation: **20/09/2019**

Charge code: **0273 8187 0141**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description:

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:

BEVIS METCALFE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2738187

Charge code: 0273 8187 0141

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th September 2019 and created by BLUE MOTOR FINANCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st October 2019 .

Given at Companies House, Cardiff on 2nd October 2019

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

EXECUTION VERSION

L_LIVE_EMEA1:43926868v7

Security Agreement

between

Blue Motor Finance Limited

as Chargor

and

GLAS Trust Corporation Limited

as Security Agent

Simmons & Simmons

Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London, EC2Y 9SS, United Kingdom
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~~THIS DEED~~ is dated 20 September 2019 and made

BETWEEN:

- (1) **BLUE MOTOR FINANCE LIMITED** a company registered in England & Wales with company number 02738187 having its registered office at Darenth House, 84 Main Road, Sundridge, Kent, United Kingdom, TN14 6ER as chargor (the "Chargor"); and
- (2) **GLAS TRUST CORPORATION LIMITED** (the "Security Agent" which expression includes its successors and assigns as security agent and security trustee for the Secured Parties).

BACKGROUND:

- (A) The Chargor is entering into this Deed in connection with the Finance Documents pursuant to clause 22.33 (*Class E Notes security*) of the Facilities Agreement.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

IT IS AGREED as follows:

1. **Interpretation**

1.1 **Definitions**

In this Deed, terms defined in the Facilities Agreement have the same meaning in this Deed unless given a different meaning and:

"Cash Custody Account" means the account of the Chargor held with the Custodian with account number [REDACTED].

"Charged Property" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Transaction Security.

"Class E Notes" means the Class E Notes in the principal amount of GBP18,300,000 due 20 June 2027 issued by Azure Finance No.1 PLC (ISIN XS1843116820).

"Custodian" means Citibank N.A., acting through its London branch.

"Custody Accounts" means the Cash Custody Account and the Investments Custody Account.

"Custody Agreement" means the global custodial services agreement in the agreed form entered into between the Chargor and the Custodian dated on or around the date of this Deed, including any agreement or document (however described) entered into, or issued, pursuant thereto.

"Custody Investments" means the Class E Notes and all other Investments now or at any time credited to the Investments Custody Account.

"Custody Property" means, at any time, the Custody Investments, any cash credited to the Cash Custody Account, and any other assets from time to time held by the Custodian for the benefit of the Chargor.

"Debt Documents" has the meaning given to that term in the Subordination Agreement.

"Debtor" has the meaning given to that term in the Subordination Agreement.

"Delegate" means any delegate, sub delegate, agent, nominee, attorney or co-trustee appointed under Clause 16 (*Delegation*).

"Enforcement Event" means an Event of Default has occurred and is continuing.

"Facilities Agreement" means the facilities agreement dated 28 June 2019 and made between Blue Motor Finance Limited as borrower, the original lenders named, therein, Goldman Sachs International as arranger, Global Loan Agency Services Limited as agent and the Security Agent as security agent.

"Financial Collateral" has the meaning given to that term by the Regulations.

"Investments" means the Class E Notes and all of the Chargor's other investments from time to time, including:

- (A) securities and investments of any kind (including stocks, shares, bonds, certificates of deposit, debentures, units, depositary receipts, notes, commercial paper, negotiable instruments, warrants and other financial instruments (as defined in the Regulations) and any other instrument creating or acknowledging indebtedness);
- (B) interests in collective investment schemes, partnerships and joint ventures;
- (C) warrants, options and other rights to subscribe for or acquire any securities or investments;
- (D) allotments, accretions, offers, rights, bonuses, benefits and advantages that at any time accrue to or are offered or arise in respect of any securities or investments;
- (E) other rights attaching to or relating to securities or investments including dividends, interest and other distributions paid or payable and all cash or other securities or investments in the future deriving from Investments or such other rights; and
- (F) rights relating to securities and investments, whether held directly by or to the order of the Chargor or by any depositary, investment manager, trustee, nominee, custodian, fiduciary, clearance house or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system or other similar person or their nominee, in each case whether or not on a fungible basis including, without limitation, any contractual rights or any right to delivery of all or any part of the Investments from time to time),

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.

"Investments Custody Account" means the account of the Chargor held with the Custodian with account number [REDACTED].

"Liabilities" has the meaning given to that term in the Subordination Agreement.

"LPA" means the Law of Property Act 1925.

"Mortgaged Property" means any freehold or leasehold property included in the definition of Charged Property.

"Original Security" means the security created under the Original Security Agreement.

"Original Security Agreement" means the security agreement dated 2 July 2019 between, amongst others, the Chargor and the Security Agent.

"Party" means a party to this Deed.

"PSC Notice" means a request for information made pursuant to section 790D and 790E of the Companies Act 2006.

"PSC Restrictions Notice" means a "restrictions notice" and "PSC Warning Notice" means a "warning notice", in each case as defined in Paragraph 1(2) of Schedule 1B of the Companies Act 2006.

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property.

"Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and "Regulation" means any of them.

"Related Rights" means, in respect of the Charged Property or any part of it:

- (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 the Charged Property;
- (B) any moneys or proceeds paid or payable deriving from, or in relation to, the Charged Property;
- (C) any rights, benefits, claims, guarantees, indemnities, contracts, remedies, Security or covenants for title in relation to the Charged Property;
- (D) all rights of the Chargor against any Obligor falling within Clause 17.6(B) (*Deferral of Chargor's rights*);
- (E) any awards, or judgments in favour of the Chargor in relation to the Charged Property; and
- (F) any other assets deriving from, or relating to, the Charged Property.

"Secured Obligations" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Party" has the meaning given to that term in the Subordination Agreement.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that all the Secured Obligations have been irrevocably and unconditionally paid and discharged in full and that all facilities which might give rise to any Secured Obligations have been terminated or cancelled such that neither the Security Agent nor any other Secured Party has any further commitment, obligation or liability under or pursuant to any of the Finance Documents.

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed.

1.2 Construction

- (A) The provisions of Clauses 1.2 (*Construction*) and 1.5 (*Agent and Security Agent*) of the Facilities Agreement apply to this Deed as if set out in full in this Deed with all necessary changes.
- (B) A reference in this Deed to the singular includes the plural and vice versa.
- (C) Unless a contrary indication appears, a reference in this Deed to "Charged Property" includes any part of that Charged Property and the proceeds of that Charged Property.
- (D) A reference in this Deed to:
 - (1) the "enforcement" of any Security includes the appointment of an administrator or other insolvency official in respect of the person who has granted that Security;
 - (2) "liability" and "liabilities" is to all liabilities and obligations of any person at any time whether as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
 - (3) a "clearance system" means a person whose business is, or includes, the provision of clearance services or security accounts or any nominee or depository for that person;
 - (4) liabilities, rights (including rights in respect of property), interests, powers, benefits, authorities or claims "under" any deed (including this Deed) or other document or law or regulation includes a reference to liabilities, rights and other such matters arising pursuant to or in consequence of that deed, document, law or regulation; and
 - (5) "Secured Obligations" includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting the Chargor or any Obligor.
- (E) Unless a contrary indication appears, any obligation imposed on the Chargor under the Transaction Security includes (where applicable) an obligation on it to procure, to the extent legally possible, that its nominees, trustees, fiduciaries, depositaries, custodians and (in the case of the Investments) any relevant clearance house or system shall perform that obligation.

- (F) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period, and is given by the Chargor for the benefit of all of the Secured Parties.
- (G) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed and is deemed to be repeated on each day on which the Repeating Representations are made under the Facilities Agreement by reference to the facts and circumstances then existing.
- (H) Clauses 3.2 (*Investments*) and 3.3 (*Accounts*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets described in this Deed and any failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Deed or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.

1.3 Disposition of property

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Third party rights

- (A) A person who is not a Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this Deed.
- (B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (C) Any Receiver or Delegate may, subject to this Clause 1.4 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

1.5 Miscellaneous

The terms of the other Finance Documents and of any side letters between any of the parties in relation to any Finance Document are incorporated in this Deed *mutatis mutandis* to the extent required to ensure that any purported disposition of an interest in freehold or leasehold property of the Chargor contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Security Agent

- (A) The Security Agent executes this Deed as security agent in the exercise of the powers and authority conferred and vested in it under the Subordination Agreement and any other Finance Document for and on behalf of the Secured Parties for whom it acts. It will exercise its powers and authority under this Deed in the manner provided for in the Subordination Agreement and, in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facilities Agreement and the other Finance Documents.

- (B) Notwithstanding any other provisions of this Deed in acting under and in accordance with this Deed, the Security Agent is entitled to seek instructions from the Secured Parties in accordance with the provisions of the Subordination Agreement and at any time and where it so acts or refrains from acting on the instructions of a Secured Party or Secured Parties entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from acting.

1.7 Original Security

- (A) Where this Deed purports to create fixed Security, that Security will be subject to any equivalent Security created by the Original Security Agreement until such time as the Security created by the Original Security Agreement ceases to have effect provided that, the Parties acknowledge that it is the intention that the fixed Security created hereunder shall, to the extent that the relevant Charged Property has been validly charged with fixed Security under the Original Security Agreement, be second ranking to the fixed Security created under the Original Security Agreement. To avoid doubt, each of the Parties acknowledges that the Security created in respect of each Custody Account and the Custody Agreement and all Related Rights relating thereto pursuant to this Deed shall be first ranking. Notwithstanding the existence of the Original Security Agreement, any proceeds received by the Security Agent in connection with enforcement of the Security shall be applied in accordance with the Subordination Agreement.
- (B) Notwithstanding anything to the contrary in this Deed, the existence of and the Security created by the Original Security Agreement is acknowledged and there shall be no breach of:
 - (1) this Deed, by reason of the Security created hereby ranking after the security created by the Original Security Agreement and such references shall be construed accordingly; or
 - (2) Clause 10.1(A) (*Custody Account*) of the Original Security Agreement, by reason of the delivery of the Class E Notes to the Investments Custody Account on the date of this Deed, the termination of the appointment of the Custodian (as defined in the Original Security Agreement) or the Chargor's entry into, and granting of Security under, this Deed.
- (C) The Chargor hereby confirms that, save as provided for in this Clause 1.7, the Original Security Agreement shall continue in full force and effect.

2. Covenant to Pay

- (A) The Chargor hereby covenants in favour of the Security Agent (as trustee for itself and the other Secured Parties) that it will pay and discharge the Secured Obligations on the date(s) on which such Secured Obligations are expressed to become due (or, if they do not specify a date, on demand) and in the manner provided for in the relevant Finance Document.
- (B) The Chargor acknowledges to the Security Agent that the amount secured by the Transaction Security (including this Deed) and in respect of which the Transaction Security is enforceable is the full amount of the Secured Obligations.

3. Creation of Security

3.1 Security generally

- (A) All the Transaction Security:
- (1) is created in favour of the Security Agent;
 - (2) is created over all present and future assets of the Chargor of the kind described that are from time to time owned by the Chargor or, to the extent that it does not own them, over any right, title or interest it may have in or in respect of them;
 - (3) is security for the payment of all the Secured Obligations; and
 - (4) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (B) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3.2 (*Investments*) to 3.4 (*Floating charge*).
- (C) It shall be implied in respect of Clauses 3.2 (*Investments*) to 3.4 (*Floating charge*) that the Chargor is disposing of the Charged Property free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

3.2 Investments

The Chargor charges by way of a first fixed charge all of its rights and interests in its Investments and all Related Rights.

3.3 Accounts

- (A) The Chargor charges by way of a first fixed charge:
- (1) all of its rights in respect of the Investment Custody Account, any Custody Investments standing to the credit of, or otherwise held in, the Investment Custody Account, and all Related Rights in relation to the person with whom the Investment Custody Account is held;
 - (2) all of its rights in respect of the Cash Custody Account, any monies standing to the credit of, or otherwise held in, the Cash Custody Account, and all Related Rights in relation to the person with whom the Cash Custody Account is held; and
 - (3) all of its rights in respect of the Custody Agreement and all Related Rights relating thereto.
- (B) To the extent not effectively charged under paragraph (A) above, the Chargor assigns, absolutely, subject to a provision for re-assignment on redemption, all of its rights in respect of the Custody Agreement and all Related Rights relating thereto.

3.4 Floating charge

- (A) The Chargor charges by way of first floating charge its business undertaking and assets, both present and future not otherwise effectively mortgaged, assigned or charged under this Deed (excluding any Excluded Accounts).
- (B) The floating charge created by the Chargor pursuant to Clause 3.4(A) is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Agent may appoint an administrator to the Chargor pursuant to that paragraph.

3.5 Trust arrangements

- (A) Nothing in this Deed constitutes the Security Agent as an agent, trustee or fiduciary of the Chargor.
- (B) If or to the extent that the mortgage, assignment or charge of any of the Charged Property is prohibited by law or contract the Chargor shall hold that Charged Property on trust for the Security Agent (insofar as not so prohibited) and the validity of any other mortgage, assignment or charge of any of the Charged Property shall not be affected.

3.6 Crystallisation of floating charge

- (A) The Security Agent may convert the floating charge created by this Deed over all or any of the Charged Property into a fixed charge by notice to the Chargor specifying the relevant Charged Property (either specifically or generally):
 - (1) on the occurrence of an Enforcement Event;
 - (2) the Security Agent considers it necessary to do so to protect or preserve that Charged Property or the Transaction Security, or the ranking of the Transaction Security; and/or
 - (3) the Chargor requests the Security Agent to do so, or to enforce the Transaction Security.
- (B) The floating charge created under Clause 3.4 (*Floating charge*) shall convert automatically (without notice) and immediately into a fixed charge over each asset that forms part of the Charged Property and is subject to that floating charge if:
 - (1) the Chargor takes any step to create any Security in breach of Clause 7.1 (*Negative Pledge*) over any of the Charged Property or to dispose of any of the Charged Property in breach of Clause 7.2 (*Disposals*);
 - (2) any other floating charge over any of the Charged Property crystallises;
 - (3) any petition is presented, meeting convened, resolution passed or application made for the reorganisation of the Chargor, the dissolution of the Chargor, the making of an administration order in relation to the Chargor or to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the

Chargor over all or any part of its assets, or if any such person is appointed in respect of the Chargor;

- (4) any analogous procedure or step is started or taken in any jurisdiction in relation to the Chargor; or
- (5) any person takes any step to take possession or control of or effect any seizure, charge, expropriation, attachment, sequestration, distress or execution against any of the Charged Property,

or in any other circumstances prescribed by law.

- (C) Clause 3.6(B) above shall not apply where the Event of Default occurs by virtue of the obtaining of a moratorium or anything being done with a view to a moratorium being obtained, in each case under section 1A of the Insolvency Act 1986.

4. Continuing Security

4.1 Continuing Security

The Transaction Security is a 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.

4.2 Additional Security

The Transaction Security:

- (A) is in addition to, and is not in any way prejudiced by, and shall not merge with, any other guarantee or Security or other right now or subsequently held by any Secured Party; and
- (B) may be enforced against the Chargor without having recourse to any other rights of any Secured Party.

5. Further Assurance

- (A) The Chargor shall promptly at its own expense do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver or Delegate may reasonably specify (and in such form as the Security Agent, Receiver or Delegate (as applicable) may reasonably require in favour of the Security Agent or its nominee(s)):
 - (1) to create, protect, preserve and perfect the Security created or intended to be created by the Transaction Security (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
 - (2) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security conferred or intended to be conferred by or pursuant to the Transaction Security;

- (3) enabling any of the Charged Property to be transferred, on enforcement of the Transaction Security, into the name of a purchaser or (in the case of Financial Collateral) the Security Agent or its Delegate; and/or
 - (4) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security or the exercise of any rights, powers and discretions conferred on the Secured Parties or any administrator.
- (B) The Chargor shall, at its own expense, take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to the Transaction Security.
- (C) Any deeds and other documents that the Security Agent or any Receiver or Delegate requires the Chargor to sign or execute under this Clause 5 shall be in such form and addressed to such persons as the Security Agent, Receiver or Delegate (as the case may be) shall reasonably require, and may disapply section 93 of the LPA.

6. General provisions relating to Chargor's undertakings

6.1 Time and manner of performance

- (A) The provisions of this Clause 6.1 (*Time and manner of performance*) to Clause 9 (*Custody Accounts*) (inclusive) shall remain in force during the Security Period.
- (B) Unless otherwise specified in this Deed, the Chargor shall perform each of its obligations under those provisions promptly and at its own expense.

6.2 Documents of title, etc.

- (A) Unless the Security Agent otherwise requires (but subject to Clause 6.2(B) below and to the extent not already deposited with the Security Agent pursuant to the Original Security Agreement) the Chargor shall deposit with the Security Agent or its Delegate (at the risk of the Chargor) on the date of this Deed:
 - (1) all deeds, certificates and other documents of or evidencing title to the Charged Property (including the Investments in accordance with Clause 8.2 (*Certificated Investments*) and their Related Rights); and
 - (2) any other documents whose deposit is required under this Deed.
- (B) In relation to the Charged Property expressed to be charged by way of floating charge under this Deed, the Chargor's obligations under this Clause shall arise upon crystallisation of the floating charge.

7. General undertakings

7.1 Negative pledge

Except as expressly permitted by the Facilities Agreement, the Chargor shall not create or permit to subsist any Security over any Charged Property.

7.2 Disposals

Except as expressly permitted by the Facilities Agreement, the Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any of its assets.

8. Investments

8.1 Investments

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (A) the Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right;
- (B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of those Investments on creation or the enforcement of the Transaction Security;
- (C) it is the sole, absolute and beneficial owner of its Investments free and clear from any security interest or other encumbrance other than under this Deed (except in relation to the Custody Investments, in respect of which the Chargor is the beneficial owner only) and other than in respect of any general clearing system lien that exists over all securities in Euroclear, and it has not received a PSC Notice, PSC Warning Notice or a PSC Restrictions Notice in relation to any of the Investments;
- (D) other than in respect of the Custody Investments in accordance with the terms of the Custody Agreement, it has not disposed of any interest in, or granted any rights (whether of pre-emption or otherwise) over, any of its Investments or their Related Rights nor agreed to do any of the same, save for with the prior written consent of the Security Agent;
- (E) other than in respect of the Custody Investments in accordance with the terms of the Custody Agreement, none of its Investments or their Related Rights are the subject of any claim, assertion, right, action or other restriction or arrangement of whatever nature which does or may impinge upon the ownership of the same by it and its Investments and their Related Rights are and will continue to be fully paid up; and
- (F) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion).

8.2 Certificated Investments

The Chargor on the date of this Deed (or in the case of any certificated Investments acquired after the date of this Deed, as soon as possible after that acquisition in respect of those Investments):

- (A) shall promptly deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to its Investments, together with blank share transfer forms or other applicable instruments of transfer duly executed by the Chargor; and

- (B) shall promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to its Investments; this includes:
- (1) obtaining all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of each entity whose shares constitute Investments, for the transfer of the Investments to the Security Agent or its nominee, or to a purchaser on enforcement of the Transaction Security;
 - (2) delivering executed and (unless exempt from stamp duty), pre-stamped share transfer forms in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent so directs, with the transferee left blank; and
 - (3) procuring that those share transfer forms are registered by the issuer(s) of the relevant Investments and that share certificates in the name of the transferee are delivered to the Security Agent.

8.3 People with Significant Control regime

The Chargor shall:

- (A) within the relevant timeframe, comply with all requests for information which are made under a PSC Notice, a PSC Warning Notice or a PSC Restrictions Notice (each such notice being a "Relevant PSC Notice") relating to any Investments that are shares. If it fails to do so, the Security Agent may elect to provide such information it may have on behalf of the Chargor;
- (B) promptly provide the Security Agent with a copy of any Relevant PSC Notice, and
- (C) on the date of this Deed (and at any time promptly following a request being made to it from the Security Agent), deliver to the Security Agent:
 - (1) a copy of the "PSC register" (within the meaning of section 790 C(10) of the Companies Act 2006) of each entity whose shares constitute Investments for the purpose of this Deed (together the "Charged Shares Entities"), certified by an authorised signatory of the Chargor as containing information relating to the Chargor's holding that is correct, complete and not amended or superseded; or
 - (2) a certificate of an authorised signatory of the Chargor certifying that the relevant Charged Shares Entity is not required to comply with Part 21A of the Companies Act 2006.

8.4 Changes to rights

The Chargor may not (except to the extent permitted by the Facilities Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Investments being issued.

8.5 Calls

- (A) The Chargor shall pay all calls or other payments due and payable in respect of its Investments.

- (B) If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any Investment on behalf of the Chargor and notify the Chargor that it has done so (if the Chargor is not otherwise aware of such payment). The Chargor shall immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 8.5.

8.6 Other obligations in respect of Investments

- (A) The Chargor shall comply with all other conditions and obligations assumed by it in respect of any Investments.
- (B) The Security Agent is not obliged to:
 - (1) perform any obligation of the Chargor;
 - (2) make any payment;
 - (3) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
 - (4) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under the Transaction Security,

in respect of any Investments.

8.7 Voting rights before enforcement

- (A) Subject to Clause 8.8 (*Voting rights after enforcement*), the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise or failure to exercise those voting rights, powers and other rights would not be reasonably expected materially and adversely to affect the interests of the Lenders.
- (B) If the relevant Investments have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not (i) adversely affect the value of any Investments in a material respect, or (ii) prejudice the interests of any Finance Party. The Security Agent (or that nominee) shall execute any form of proxy or other document which the Chargor may reasonably require for this purpose.
- (C) Subject to Clause 8.8 (*Voting rights after enforcement*) and the terms of the Finance Documents, all dividends or other income or distributions paid or payable in relation to any Investments shall be paid to the Chargor.
- (D) Subject to Clause 8.8 (*Voting rights after enforcement*), the Security Agent shall use its reasonable endeavours promptly to forward to the Chargor all material notices, correspondence and/or other communication it receives in relation to the Investments.

8.8 Voting rights after enforcement

- (A) Following the occurrence of an Enforcement Event, the Security Agent or its nominee (including any Receiver or Delegate) may (at its discretion, but without any obligation to do so) exercise or refrain from exercising:

- (1) any voting rights; and
- (2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investments, any person who is the holder of any Investments or otherwise,

in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.

- (B) To the extent that the Investments remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee (including any Receiver or Delegate) as its proxy to exercise all voting and other rights and powers in respect of those Investments at any time after this Security has become enforceable, and will execute such forms of proxy or other document as that person may require to give effect to this Clause 8.8.
- (C) The Chargor shall indemnify the Security Agent, each Receiver and each Delegate against any loss or liability incurred by them as a consequence of their acting in respect of Investments on the direction of the Chargor.

8.9 Clearance systems

- (A) Without prejudice to Clause 9 (*Custody Accounts*), the Chargor shall, if so requested by the Security Agent following an Enforcement Event:
- (1) instruct any clearance system to transfer any Investment held by it for the Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system; and
 - (2) take whatever action the Security Agent may request for the dematerialisation or rematerialisation of any Investments held in a clearance system (to the extent that such action is legally permissible).
- (B) Without prejudice to the rest of this Clause the Security Agent may, at the expense of the Chargor, at any time following an Enforcement Event, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary.

8.10 Exoneration of the Security Agent

At any time when any Investment is registered in the name of the Security Agent or any of its Delegates, the Security Agent shall be under no duty to:

- (A) ensure that any dividends, distributions or other monies payable in respect of such Investments are duly and promptly paid or received by it or its nominee;
- (B) verify that the correct amounts are paid or received;

- (C) make any payment by reference to any unpaid amount on any Investment; or
- (D) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for such Investments.

9. **Custody Accounts**

9.1 **General**

- (A) The Chargor covenants and undertakes with the Security Agent that, at all times during the Security Period, it shall not (where applicable), without the Security Agent's prior written consent:
 - (1) permit or agree to any variation of the rights attaching to either Custody Account or the Custody Agreement;
 - (2) close any Custody Account or terminate the Custody Agreement;
 - (3) withdraw monies or any Custody Investments from or otherwise deal with either Custody Account, including instructing the Custodian to transfer any Custody Investments from the Investments Custody Account; or
 - (4) assign, transfer or otherwise deal with or dispose of all or any of the Custody Investments.
- (B) The Chargor covenants and undertakes with the Security Agent that during the Security Period it shall, where applicable:
 - (1) deliver to the Security Agent (on the date of this Deed and also on any date on which new Custody Investments are deposited to the Investments Custody Account) as security such other documents as may be reasonably required by the Security Agent to give full effect to the Transaction Security;
 - (2) forward promptly upon request to the Security Agent (if not already received by the Security Agent) copies of all notices, reports, accounts, circulars and other documents which are sent to the holders of the Custody Investments, as soon as they are received;
 - (3) duly and promptly make all payments which may from time to time be made or become due and payable in respect of any of the Custody Investments, as and when the same from time to time become due;
 - (4) ensure that all amounts or assets payable or deliverable in respect of the Custody Investments are (a) if such amounts are paid in cash, paid into the Cash Custody Account; and (b) if such amounts are paid in any other form, transferred into the Investments Custody Account;
 - (5) not enter into a single transaction or agreement or a series of transactions or agreements (whether related or not and whether voluntary or involuntary, whether actual or contingent and whether spot or forward) to sell, lease, loan, grant any option over, transfer, tender, redeem or otherwise dispose of the Custody Property (including any of its Related Rights in respect thereof);

- (6) take such action (if any) as the Security Agent may, in its absolute discretion, direct in the event that it becomes possible to convert or exchange the Custody Investments or have them repurchased by the relevant issuer or repaid or in the event that any offer to purchase is made in respect of the Custody Investments or any proposal is made for repurchase by the relevant issuer of the Custody Investments or for varying, waiving or abrogating any rights attaching to them;
- (7) promptly at the request of the Security Agent at any time following the date of this Deed, sign, seal, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Security Agent may, in its absolute discretion, specify for enabling or assisting the Security Agent to perfect the Security created or intended to be created by the Transaction Security in respect of the Custody Property, to exercise or to facilitate the proposed exercise of any rights or powers attaching to the Custody Property in accordance with the terms of the Finance Documents or otherwise to enforce any of the Security Agent's rights under the Finance Documents;
- (8) to the extent applicable, promptly upon request by the Security Agent following an Enforcement Event, register or procure the registration of the Custody Investments in the name of the Security Agent or in the name of a Delegate of or transferee from the Security Agent; and
- (9) not by any act or omission do anything prejudicial to the maintenance of the value of the Custody Investments.

9.2 Notice of Security (Custody Accounts)

- (A) The Chargor shall, on the date of this Deed, serve a notice of charge or assignment, substantially in the applicable form as set out in Part I of Schedule 1 (*Notice to Custodian*) (the "Custodian Notice"), on the Custodian.
- (B) The Chargor shall ensure that, on the date of this Deed, the Custodian acknowledges receipt of the Custodian Notice, substantially in the applicable form as set out in Part II of Schedule 1 (*Notice to Custodian*) (the "Custodian Acknowledgement").

9.3 Withdrawals from the Cash Custody Account

- (A) Subject to the Chargor delivering to the Security Agent a fully signed and dated copy of each of the Custodian Notice and the Custodian Acknowledgement (each as referred to in Clause 9.2 (*Notice of Security (Custody Accounts)*) above), the Chargor will be permitted to receive any cash standing to the credit of the Cash Custody Account from time to time subject to and in accordance with the provisions of paragraph (B) below.
- (B) On the first Business Day immediately following each Interest Payment Date (each a "Relevant IPD"), if:

- (1) as at the close of business on that Relevant IPD, there was no Borrowing Base Shortfall by reference to the Borrowing Base Amount set out in the Borrowing Base Certificate delivered on the Monthly Calculation Date falling immediately prior to that Relevant IPD; and
- (2) a Compliance Certificate was supplied by the Borrower to the Agent on the Monthly Calculation Date falling immediately prior to that Relevant IPD which Compliance Certificate:
 - (a) demonstrated compliance with clause 21 (*Financial Covenants*) of the Facilities Agreement; and
 - (b) confirmed that no Default was continuing,

the Security Agent shall (and is hereby irrevocably instructed to) deliver to the Custodian an Instruction (as defined in the Custody Agreement) to transfer the entire balance standing to the credit of the Cash Custody Account at that time from the Cash Custody Account to the Borrower's account with account number [REDACTED] and sort code: [REDACTED] (or such other account of the Borrower notified by the Borrower to Security Agent not more than 5 Business Days prior to that Relevant IPD), provided that such account is subject to the Transaction Security and no Default would result from the making of the relevant payment).

10. **Enforcement**

10.1 **When enforceable**

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs.

10.2 **Power of sale**

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA (*Powers incident to estate or interest of mortgagee*) as varied and extended by this Deed shall arise on the date of this Deed.

10.3 **Section 103 of the LPA**

Section 103 of the LPA (*Regulation of exercise of power of sale*) shall not apply to this Deed.

10.4 **Rights and powers of the Security Agent on enforcement**

- (A) Upon, and at any time after, the date the Transaction Security has become enforceable, the Security Agent may (without prejudice to any of its other rights and remedies, and (unless required by law) without notice to the Chargor) enforce all or any of that Security, and may (or may appoint one or more Delegates to) exercise:
 - (1) all or any of the rights and powers conferred by the LPA on it or on any Receiver or on mortgagees (without the restrictions imposed by sections 103 or 109(1) of the LPA) at the times, in the manner and order, on the terms and conditions and, subject to Clause 22.3 (*Order of distributions*), for the consideration that it determines;
 - (2) the power of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases, without the restrictions imposed by sections 99 or 100 of the LPA (and, for the purposes

of those sections, sections 99(18) and 100(12) shall not apply, so that the expression "mortgagor" shall include an incumbrancer deriving title under the Chargor); and

- (3) all or any of the other rights and powers conferred on it under the Finance Documents.
- (B) Upon, and at any time after, the date the Transaction Security has become enforceable the Security Agent and any Receiver or Delegate may (without prejudice to any of their other rights and remedies and without notice to the Chargor):
 - (1) take possession of all or part of the Charged Property and for that purpose enter onto any premises where any Charged Property is located (or where it reasonably believes any Charged Property is located) without incurring any liability to the Chargor; and
 - (2) complete and date all or any of the transfers and other documents referred to in Clauses 6.2 (*Documents of title, etc.*) and 8.2 (*Certificated Investments*).
- (C) The Chargor shall use its best endeavours to allow the Security Agent and any Receiver or Delegate free access, for the purpose specified in Clause 10.4(B)(1) above, to any premises that the Chargor does not own or occupy, and to obtain any necessary consents of third parties for that purpose.

10.5 Section 93 of the LPA

Section 93 of the LPA (*Restriction on consolidation of mortgages*) shall not apply to this Deed.

10.6 No liability

- (A) Neither the Security Agent, any of the Secured Parties nor any Receiver shall be liable:
 - (1) in respect of all or any part of the Charged Property; or
 - (2) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers under this Deed or any applicable law (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (B) Without prejudice to the generality of Clause 10.6(A) above, neither the Security Agent nor any Receiver or Delegate shall be liable, by reason of entering into possession of any Charged Property, to account as mortgagee in possession for any loss on realisation of for any default or omission for which a mortgagee in possession might be liable.

10.7 Privileges

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (*Regulation of exercise of power of sale*) shall not apply to this Deed.

10.8 Protections of purchasers

- (A) No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:
 - (1) whether the Secured Obligations have become payable;
 - (2) whether the rights conferred by or pursuant to any Finance Document are exercisable (including the rights and powers of the Security Agent and any Receiver or Delegate);
 - (3) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
 - (4) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
 - (5) as to the application of any money borrowed or raised by, or paid to, the Security Agent, any Receiver or Delegate or any other person.
- (B) The receipt of the Security Agent or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, the Security Agent and any Receiver or Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.
- (C) All the protection to purchasers contained in Sections 104 (*Conveyance on sale*) and 107 (*Mortgagee's receipts, discharges etc.*) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

10.9 Financial collateral arrangements

- (A) To the extent that the provisions of the Regulations apply to any Charged Property, the Security Agent shall have the right to appropriate any Charged Property which constitutes Financial Collateral in or towards the satisfaction of the Secured Obligations, subject always to Regulation 18 of the Regulations.
- (B) The value of any Charged Property appropriated in accordance with this Clause 10.9 shall be:
 - (1) in the case of cash, the amount standing to the credit of the Cash Custody Account, together with any accrued interest that has not been posted to the Cash Custody Account at the time of appropriation; and
 - (2) in the case of any Investments, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select (acting reasonably).
- (C) The Chargor agrees that the method of valuation provided for in this Clause 10.9 is commercially reasonable for the purposes of the Regulations.

11. Receiver

11.1 Appointment of receiver

- (A) Following the occurrence of an Enforcement Event, the Security Agent may by deed or otherwise in writing (acting through an authorised officer or manager):
 - (1) appoint any one or more persons to be a Receiver or Receivers (jointly and severally) of all or any part of the Charged Property;
 - (2) subject to any requirement for a court order in the removal of an administrative receiver, remove any Receiver;
 - (3) appoint one or more persons as additional or replacement Receivers; or
 - (4) appoint one or more persons to be an administrator or administrators of the Chargor under Schedule B1 of the Insolvency Act 1986.
- (B) Any appointment under Clause 11.1(A) may be by deed, under seal or in writing under hand.
- (C) The power to appoint a Receiver under this Clause shall be in addition to all statutory and other powers of appointment the Security Agent may have under the LPA (as varied and extended under this Deed) and may be exercised from time to time by the Security Agent in respect of all or any part of the Charged Property.

11.2 Remuneration

The Security Agent may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA shall not apply to this Deed.

11.3 Agent of Chargor

- (A) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (B) No Finance Party will incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons.

11.4 Security Agent's rights

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

12. Powers of Receiver

12.1 General

- (A) A Receiver has all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred on it by any law, including all the rights, powers and

discretions conferred on a receiver or mortgagee in possession under the LPA and a receiver, administrator or an administrative receiver under the Insolvency Act 1986.

- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

12.2 Possession

A Receiver may take immediate possession of, get in and collect any Charged Property.

12.3 Carry on business

A Receiver may carry on the business of the Chargor in any manner he thinks fit.

12.4 Employees

- (A) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (B) A Receiver may discharge any person appointed by the Chargor.

12.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Charged Property either in priority to the Security created by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit.

12.6 Sale of assets

- (A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (C) Fixtures, other than fixtures of any landlord or of any tenant under a document relating to a leasehold interest that constitutes Mortgaged Property, may be severed and sold separately from the property containing them without the consent of the Chargor.

12.7 Leases

A Receiver may let any Charged Property for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

12.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property.

12.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit.

12.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Property.

12.11 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Charged Property.

12.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

12.13 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

12.14 Protection of assets

A Receiver may:

- (A) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property;
- (B) commence and/or complete any building operation; and
- (C) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

12.15 Other powers

A Receiver may:

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (B) exercise in relation to any Charged Property all the powers, rights, authorities and things of the Security Agent under this Deed;

- (C) exercise in relation to any Charged Property all the powers, rights, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Charged Property; and
- (D) use the name of the Chargor for any of the above purposes.

13. Chargor's failure to act

If the Chargor fails to comply in any material respect with the requirements of this Deed, the Security Agent or any Receiver or Delegate may (but shall not be obliged to) take such action as they consider necessary or desirable to remedy that failure, without prejudice to their other rights and remedies under this Deed.

14. Power of Attorney

14.1 Appointment

The Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any 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, acting reasonably, thinks fit:

- (A) to do anything which the Chargor is obliged to do under any Finance Document; and
- (B) to exercise, or delegate the exercise of any of the rights, powers, authorities and discretions conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986.

14.2 Ratification

The Chargor:

- (A) ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this Clause 14; and
- (B) indemnifies all such attorneys against all losses, costs, damages and expenses they may incur in doing those things and executing those documents.

15. Tacking

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

16. Delegation

16.1 Delegate and sub-delegates

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

16.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit.

16.3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

17. Preservation of Security

17.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by the Security Agent in whole or in part on the faith 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 the Chargor under the Transaction Security will continue or be reinstated as if the discharge, release or arrangement had not occurred.

17.2 Waiver of defences

Neither the Transaction Security, nor the obligations of the Chargor under the Transaction Security will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice the Transaction Security or any of the Chargor's obligations under the Transaction Security (and whether or not known to it or any Finance Party) including without limitation:

- (A) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (B) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any person;
- (C) 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 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;
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement (in each case, however fundamental and of whatsoever nature), replacement, assignment, avoidance or termination of any Finance Document or any other document or Security or of the Secured Obligations, including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility, under any Finance Document or other document or Security;

- (F) any unenforceability, illegality or invalidity of any obligation of (or expressed to be of), or any Security created by (or expressed to be created by), any person under any Finance Document or any other document;
- (G) any insolvency, liquidation, administration or similar proceedings; or
- (H) this Deed or any other Finance Document not being executed by or binding on any other party to it.

17.3 **Chargor intent**

Without prejudice to the generality of Clause 17.2 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Transaction Security 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:

- (A) business acquisitions of any nature;
- (B) increasing working capital;
- (C) enabling investor distributions to be made;
- (D) carrying out restructurings;
- (E) refinancing existing facilities;
- (F) refinancing any other indebtedness;
- (G) making facilities available to new borrowers;
- (H) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (I) any fees, costs and/or expenses associated with any of the foregoing.

17.4 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party (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 the Chargor under the Transaction Security. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

17.5 **Appropriations**

During the Security Period, any Secured Party (or any trustee or agent on its behalf) may:

- (A) refrain from applying or enforcing any other moneys, Security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

- (B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of any of the Secured Obligations.

17.6 Deferral of Chargor's rights

During the Security Period and unless the Security Agent otherwise directs, the Chargor shall not exercise or benefit from any rights which it may have by reason of (i) performance by it of its obligations under the Finance Documents, (ii) any amount being payable, or liability arising, under the Finance Documents, or (iii) the enforcement of the Transaction Security:

- (A) to receive or claim payment from, or to be indemnified by, an Obligor or any other person;
- (B) to claim any contribution from any other guarantor or provider of Security in respect of an Obligor's obligations under the Finance Documents;
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (D) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any other Finance Document;
- (E) to exercise any right of set-off or similar right against any Obligor or other person; and/or
- (F) to claim or prove as a creditor of any Obligor or other person in competition with any Secured Party.

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 Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Security Agent 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 22.3 (*Order of distributions*).

18. Conversion of moneys received

Upon, and at any time after, the date the Transaction Security has become enforceable, the Security Agent or any Delegate may convert all or any part of any amount standing to the credit of the Cash Custody Account (including the proceeds of any previous conversion under this Clause) from its existing currency into any other currency, by purchasing that other currency at the rate or rates of exchange available to the Security Agent at the time of conversion.

19. Protection of Secured Parties

None of the Secured Parties, nor any of their respective officers, employees or agents, shall be liable:

- (A) to account as a mortgagee in possession; or

- (B) except in the case of gross negligence or wilful misconduct on the part of that Secured Party or its officers, employees or agents, for any liability, damages, costs or losses arising from:
- (1) taking or not taking any action in relation to any of the Charged Property or any documents of or evidencing title to them including:
 - (a) the selection of periods for any time deposit or the termination of any such period before its due date of maturity; and
 - (b) taking possession of, appropriating or realising the Charged Property as permitted under this Deed;
 - (2) the loss or destruction of, or damage to, any of the Charged Property or any documents of or evidencing title to them; or
 - (3) any fluctuation in exchange rates in connection with any purchase of currencies under Clause 18 (*Conversion of moneys received*).

20. VAT

Clause 13.7 (VAT) of the Facilities Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes.

21. Changes to the Parties

21.1 Assignments and transfer by the Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under the Transaction Security.

21.2 Assignment and transfer by the Finance Parties

Any Finance Party may assign any of its rights or transfer any of its rights or obligations under the Transaction Security to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement.

22. Payments

22.1 Payments

All payments by the Chargor under the Transaction Security (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct.

22.2 Continuation of accounts

- (A) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of the Chargor, any Secured Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (B) If a Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred.

- (C) As from the time the relevant Secured Party opened or was treated as having opened the new account, all payments received or recovered by that Secured Party, acting in any capacity, under this Deed:
- (1) will be credited, or treated as having been credited, to the new account; and
 - (2) will not be applied, or treated as having been applied, in reduction of the Secured Obligations.

22.3 Order of distributions

- (A) All amounts received, retained or recovered by the Security Agent or any Receiver or Delegate in the exercise of their rights under the Transaction Security (cash or otherwise) shall be applied in the following order:
- (1) first, in or towards the payment or discharge of, or provision for, all costs, charges, and expenses incurred, and payments made by the Security Agent, any Receiver or any Delegate and the payment of the remuneration of any Receiver or Delegate and the discharge of any liabilities incurred by the Receiver or any Delegate in, or incidental to, the exercise of any of its powers;
 - (2) second, in accordance with Clause 14 (*Application of Proceeds*) of the Subordination Agreement; and
 - (3) third, in payment of any surplus to the Chargor or other person entitled to it,
- and section 109(8) of the LPA shall not apply to the application of moneys received by a Receiver.
- (B) Clause 22.3(A) above shall override any appropriation made by the Chargor.

23. Release of Security

23.1 Release

At the end of the Security Period the Security Agent shall at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by the Transaction Security and, where appropriate, procure the re-assignment to the Chargor of the Charged Property assigned to the Security Agent pursuant to this Deed.

23.2 Retention

If the Security Agent considers that any amount paid or credited to it under a 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.

24. 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.

25. Governing Law

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

26. Enforcement

26.1 Jurisdiction

- (A) 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 obligations arising out of or in connection with this Deed) (a "Dispute").
- (B) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (C) This Clause 26 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1 : NOTICE TO CUSTODIAN

PART I: NOTICE OF CHARGE

[On letterhead of Blue Motor Finance Limited]

To: Citibank, N.A.
(the "Custodian")

Copy: GLAS Trust Corporation Limited
45 Ludgate Hill
London, EC4M 7JU
Attention: Transaction Management Group/Blue Motor Finance Limited
(the "Security Agent")

[] 2019

Re: Custody Account and Cash Account

Dear Sirs,

1. We refer to the global custodial services agreement entered into between you and us dated [] 2019 (the "GCSA"), pursuant to which you have agreed to maintain, on our behalf, a custody account numbered [] (the "Custody Account") and a cash account numbered [] (the "Cash Account") and, together with the Custody Account, the "Relevant Accounts").
2. Pursuant to, and in accordance with, the GCSA:
 - (A) the Class E Notes in the principal amount of GBP18,300,000 due 20 June 2027 issued by Azure Finance No. 1 PLC (ISIN XS1843116820) (the "Class E Notes") will, and certain other securities and investments (such other securities and investments together with the Class E Notes being the "Securities") may from time to time, be held by you on our behalf in the Custody Account; and
 - (B) any cash ("Cash") which is paid or payable to us in respect of the Securities will be held by you on our behalf in the Cash Account.

3. We hereby give you notice that, pursuant to a security agreement (the "Security Agreement") dated [] 2019, we have granted in favour of the Security Agent, amongst other things:
- (A) a first fixed charge over all of our rights in respect of the Custody Account (including any Securities standing to the credit of the Custody Account from time to time and all related rights in respect of such Securities); and
 - (B) a first fixed charge over all of our rights in respect of the Cash Account and all Cash standing to the credit of the Cash Account from time to time,
- (together, the "Secured Custody Property"). The security granted (and referred to in paragraphs (A) and (B) above) constitutes a first priority security interest in the Secured Custody Property. We further give you notice that, pursuant to the Security Agreement, we have also granted a first fixed charge over all our rights in respect of the GCSA (such rights together with the Secured Custody Property, the "Secured Property").
4. We hereby confirm that, pursuant to the Security Agreement, the Security Agent has been irrevocably appointed by us, by way of security, as our attorney to take any action which we are required to take under the Security Agreement and to do all such acts or things that the Security Agent may require under the Security Agreement in exercise of its powers.
5. We hereby confirm further that, pursuant to the Security Agreement, we have undertaken to the Security Agent not to withdraw any amount of Cash or any Securities from any Relevant Account without the prior written consent of the Security Agent.
6. In order to give effect to the terms of the Security Agreement (as noted in the paragraphs above), we are delivering this Notice of Charge to you (and requesting your agreement to the terms of this Notice of Charge by your signing the attached acknowledgement). The instructions in this Notice of Charge may not be revoked or varied without the prior written consent of the Security Agent and we agree that they shall take effect notwithstanding any contrary provision in the GCSA.
7. We hereby irrevocably authorise and instruct you, without any further permission from us:
- (A) to disclose to the Security Agent, without any reference to us and without any enquiry by you as to the justification for such disclosure, such information relating to the Relevant Accounts and the Cash and Securities therein as the Security Agent may at any time and from time to time request;
 - (B) to hold all Cash and Securities from time to time standing to the credit of the Relevant Accounts to the order of the Security Agent;
 - (C) not to pay or release all or any part of the Cash or Securities from time to time standing to the credit of the Relevant Accounts, other than in accordance with the written instructions of the Security Agent at any time;
 - (D) unless otherwise notified by the Security Agent in writing, to comply with the terms of any written notice or instruction in any way relating to the Cash or the Securities standing to the credit of the Relevant Accounts from time to time or the debts represented thereby which you receive at any time from the Security Agent (including, without limitation, any instructions to pay or release all or any part of the Cash and/or Securities from time to time standing to the credit of the Relevant Accounts to the Security Agent or another person nominated by the Security Agent) without any reference to us and without any enquiry by you as to the justification for or validity of such notice or instructions;

- (E) to credit to the applicable Relevant Account, immediately upon receipt on behalf of the Chargor or when the same shall become payable or deliverable to the Chargor in accordance with the GCSA, all Cash (including all income and other amounts attaching or accruing to or in respect of the Securities) and all securities receivable by holders of the Securities; and
 - (F) to acknowledge receipt of this Notice of Charge in the form attached hereto, as soon as reasonably practicable, upon receipt of this Notice of Charge and to return, as soon as reasonably practicable, the acknowledgement duly executed to the Security Agent with a copy to us.
8. It is acknowledged by the Chargor and the Security Agent that you are not bound by, and have no knowledge of, the terms and conditions of the Security Agreement or any related document (other than this Notice of Charge) and no implied duties or obligations of you shall be read into this Notice of Charge or your acknowledgement of this Notice of Charge.
9. A list of authorised signatories of the Security Agent and its specimen signatures (as may be amended and/or supplemented from time to time by the Security Agent), for the purposes of communications of instructions, notices or directions by the Security Agent to the Custodian, is set out in Appendix 1 hereto. We hereby confirm that the Custodian shall be entitled to rely upon the list in Appendix 1 hereto for the purposes of the GCSA and this Notice of Charge unless the Custodian is notified otherwise by the Security Agent in writing.
10. For the purposes of the representations set out in clause 3.2(ii) and 3.2(iii) of the GCSA, we hereby disclose to you that we have granted certain security interests and other rights to the Security Agent pursuant to the Security Agreement. The representations set out in clause 3.2(ii) and 3.2(iii) of the GCSA are therefore qualified in this respect.
11. For the purposes of clause 6.3.2 of the GCSA and clause 19.7 of the GCSA, we hereby request your consent to the granting by us, pursuant to the Security Agreement (notice of which is hereby given to you in this Notice of Charge) of the liens, security interests, charges and similar rights or claims against the GCSA, the Securities and Cash.

This Notice of Charge and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

Please acknowledge receipt of this Notice of Charge by signing the acknowledgement on the attached copy of this Notice of Charge and returning that copy to the Security Agent at [•], marked for the attention of [•].

Yours faithfully

.....

For and on behalf of
Blue Motor Finance Limited
as Chargor

We hereby sign to acknowledge the provisions of paragraph 8 above and to confirm the signatories of the Security Agent referred to in paragraph 9 above and attached as Appendix 1.

.....

For and on behalf of
GLAS Trust Corporation Limited
as Security Agent

Appendix 1

[Security Agent specimen signatures to be included]

PART II: DEED OF ACKNOWLEDGEMENT OF CHARGE

[On letterhead of Citibank, N.A.]

To: **GLAS Trust Corporation Limited**

45 Ludgate Hill

London, EC4M 7JU

Attention: Transaction Management Group/Blue Motor Finance Limited

(the "Security Agent")

Copy: **Blue Motor Finance Limited**

Darenth House

84 Main Road

Sundridge

Kent, TN14 6ER

(the "Chargor")

[] 2019

Re: Custody Account and Cash Account

Dear Sirs,

We confirm receipt from the Chargor of a notice (the "Notice of Charge") dated [] 2019 as attached to this Acknowledgement of Notice of Charge at Appendix 1.

All capitalised terms used but not defined in this Acknowledgement of Notice of Charge shall have the meanings given to them in the Notice of Charge.

- (A) **We acknowledge receipt of the Notice of Charge.**
- (B) We acknowledge and accept the authorisations contained in the Notice of Charge and, notwithstanding any provision to the contrary in the GCSA, we undertake for the benefit of the Security Agent to act in strict accordance and compliance with the terms and conditions of the Notice of Charge as if each of those terms and conditions were an undertaking given directly by us for the benefit of the Security Agent, and in particular, but without limiting the terms and conditions of the Notice of Charge:

- (1) we undertake that save as set out in paragraph (3) below, we shall not act on instructions (however given and whether constituting proper Instructions within the meaning of the GCSA or not) from the Chargor or any person acting or purporting to act on behalf of the Chargor in relation to the Secured Property and, in particular, but without limitation:
 - (a) we shall not accept any confirmation or agreement by the Chargor to our appointment of (or any request to appoint) any sub-custodian in respect of the Secured Custody Property without the Security Agent's prior written consent; and
 - (b) we shall not act on any such instructions requesting, or otherwise permit, the withdrawal of any Cash or Securities from any Relevant Account, or the reversal of any credit of any Cash or Securities to any Relevant Account, without obtaining the prior written consent of the Security Agent, or unless such withdrawal or reversal is in accordance with written instructions received from the Security Agent;
 - (2) we undertake that, save as set out in paragraph (3) below, we will act, at all times, on the sole instructions of the Security Agent and will execute the written instructions given to us by the Security Agent until notified otherwise by the Security Agent and the Chargor in writing in relation to each Relevant Account and the GCSA, notwithstanding any discretion to refuse to follow such instructions that might otherwise be afforded to us under the GCSA or any breach by the Chargor of any provision in the GCSA;
 - (3) we acknowledge that the Security Agent shall be entitled to exercise at its discretion if it so elects any and all rights (of any nature and whether arising by way of contract, deed, law, court order or otherwise) of the Chargor relating to the Secured Custody Property (or any part thereof) as notified to us in writing; and
 - (4) we acknowledge the authorisation of the Chargor to permit the disclosure by us to the Security Agent of such information relating to each Relevant Account and the Cash and Securities therein as you may at any time and from time to time request. We acknowledge and agree that such disclosure shall not be limited or prohibited by any provision of the GCSA.
- (C) We hereby agree that, prior to our receipt of a notice from the Security Agent in writing confirming that the Secured Property has been released from the security created pursuant to the Security Agreement, we will not claim or exercise any lien, set-off, counterclaim, appropriation, debit or similar right (including, without limitation, those contained in clauses 6.1, 6.2 and 6.3.1 of the GCSA) in respect of the Secured Property without the consent of the Security Agent and the Chargor.
- (D) We confirm to you that we have not received notice of any other security in respect of the Secured Property and are not aware of any interest of any third party in the Secured Property and will notify you as soon as reasonably practicable if we become aware of any such interest.
- (E) We undertake for the benefit of the Security Agent, with reference to any Cash or Securities standing to the credit of any Relevant Account, to comply with the agreements made by us in the GCSA regarding the holding of all Securities and Cash.
- (F) We undertake for the benefit of the Security Agent to be bound by a duty of confidentiality in relation to the information contained in the Notice of Charge and this Acknowledgement

of Notice of Charge, on the same terms and conditions as those set out in the GCSA, the necessary changes being made.

- (G) We undertake to send to you a copy of any notice of termination given by us in accordance with clause 17 (Termination) of the GCSA at the same time as such notice is given by us in accordance with clause 17 (Termination) of the GCSA.
- (H) Notwithstanding anything else herein contained, we may refrain without liability from doing anything that would or might in our reasonable opinion, and having consulted with qualified counsel, be contrary to any applicable law of any relevant state or jurisdiction (including but not limited to the United States of America or any jurisdiction forming a part of it, the European Union and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in our reasonable opinion, and having consulted with qualified counsel, necessary to comply with any such law, directive or regulation.
- (I) We are not bound by, and have no knowledge of, the terms and conditions of the Security Agreement or any related document (other than this notice) and no implied duties or obligations shall be read into this Acknowledgement of Notice of Charge.
- (J) We hereby confirm that the Security Agent may deliver any Instruction to us (as defined in the GCSA) by way of email to the email address set out in the GCSA, provided that the relevant Instruction is based on the appropriate form of instruction set out in the relevant schedule to the GCSA.
- (K) We hereby acknowledge and accept the disclosures made by the Chargor in the Notice of Charge in respect of the representations set out in clause 3.2(ii) and clause 3.2(iii) of the GCSA.
- (L) We hereby consent, for the purposes of the GCSA (including clause 6.3.2 of the GCSA and clause 19.7 of the GCSA), and notwithstanding any of the provisions therein, to:
 - (a) the granting by the Chargor of any lien, security interest, charge or similar right or claim against or in respect of the GCSA, Securities or Cash pursuant to the Security Agreement as notified to us pursuant to the Notice of Charge (including, to avoid doubt, any assignment or transfer of the Chargor's rights under the GCSA by way of security); and
 - (b) any assignment or transfer of the Chargor's rights under the GCSA that is undertaken by or on behalf of the Security Agent.

This Acknowledgement of Notice of Charge and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

This Acknowledgement of Notice of Charge has been executed as a deed and duly delivered on the date first above written.

EXECUTED and DELIVERED as a
deed by **CITIBANK, N.A.** as
Custodian by:

Name:
Title:

Name:
Title:

Accepted and agreed by

.....

Name:

Title:

For and on behalf of
Blue Motor Finance Limited
as Chargor

Appendix 1

Notice of Charge

[insert signed Notice of Charge]

EXECUTION PAGE

The Chargor

EXECUTED AS A DEED

By: BLUE MOTOR FINANCE LIMITED

[Redacted Signature]
[Redacted Name]

Signature of Director

Name of Director

in the presence of

[Redacted Signature]

Signature of witness

hona Manro

Name of witness

[Redacted Address]

Address of witness

[Redacted Address]

[Redacted Occupation]

Occupation of witness

The Security Agent

GLAS TRUST CORPORATION LIMITED

By:



MARK JACKSON
TRANSACTION MANAGER