



Registration of a Charge

Company name: **PRIMARY GROUP (UK) LIMITED**

Company number: **03194215**

Received for Electronic Filing: **03/01/2019**



X7WC0PS3

Details of Charge

Date of creation: **24/12/2018**

Charge code: **0319 4215 0023**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED (AS PIK SECURITY AGENT)**

Brief description: **NOT APPLICABLE**

Contains fixed charge(s).

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: **SANDIPAN DE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3194215

Charge code: 0319 4215 0023

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th December 2018 and created by PRIMARY GROUP (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd January 2019 .

Given at Companies House, Cardiff on 7th January 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

24 December 2018

PRIMARY GROUP (UK) LIMITED

and

LUCID TRUSTEE SERVICES LIMITED

(as PIK Security Agent)

RECEIVABLES CHARGE

LATHAM & WATKINS

I certify that, save for material redacted pursuant to section 859G of the Companies Act 2006, the enclosed copy of the security instrument delivered as part of this application for registration in accordance with section 859A of the Companies Act 2006 is a correct copy of the original security instrument.

Signature: Katharine Watkins (SANDRINE DE LUCID TRUSTEE)

Date: 3 January 2019

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THIS DEED is made on 24 December 2018

BETWEEN:

- (1) PRIMARY GROUP (UK) LIMITED, a private limited company incorporated in England and Wales with company number 03194215 (the “Chargor”); and
- (2) LUCID TRUSTEE SERVICES LIMITED, as security trustee for itself and the other PIK Secured Parties (the “PIK Security Agent”).

IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

In this Deed:

“**Charged Property**” means all the assets and undertakings of the Chargor which from time to time are subject of the security created or expressed to be created in favour of the PIK Security Agent by or pursuant to this Deed;

“**Company**” means Primary Group Limited, an exempted company limited by shares incorporated in Bermuda with registered number 24503;

“**Counterparty Notice**” means a notice substantially in the form set out in Schedule 1 (*Form of Counterparty Notice*);

“**Declared Default**” has the meaning given to it in the PIK Facilities Agreement;

“**Intercreditor Agreement**” means the intercreditor agreement originally dated 10 January 2018, as amended and/or amended and restated from time to time, including by way of an amendment deed dated on or about the date hereof, between, amongst others, the Company, the Senior Lenders, the PIK Facility Lenders and the PIK Security Agent;

“**Parties**” means each of the parties to this Deed from time to time;

“**PIK Debt Document**” has the meaning given to that term in the Intercreditor Agreement;

“**PIK Facilities Agreement**” has the meaning given to that term in the Intercreditor Agreement;

“**PIK Finance Document**” has the meaning given to that term in the Intercreditor Agreement;

“**PIK Secured Obligations**” means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor and each Third Party Security Provider to any PIK Secured Party under any PIK Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity;

“**PIK Secured Parties**” has the meaning given to that term in the Intercreditor Agreement;

“**Quasi-Security**” means a transaction in which a Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;

- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset;

“Receivables” means all present and future debts and monetary claims owing to the Chargor from the Company or any other member of the Group;

“Receiver” means a receiver, receiver and manager or administrative receiver appointed under this Deed;

“Relevant Jurisdiction” means, in relation to the Chargor:

- (a) England and Wales;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it; and

“Security” has the meaning given to that term in the Intercreditor Agreement.

1.2 Construction

In this Deed, unless a contrary intention appears, a reference to:

- (a) an “agreement” includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an “amendment” includes any amendment, supplement, variation, novation, modification, replacement or restatement and “amend”, “amending” and “amended” shall be construed accordingly;
- (c) “assets” includes present and future properties, revenues and rights of every description;
- (d) “including” means including without limitation and “includes” and “included” shall be construed accordingly;
- (e) “losses” includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and “loss” shall be construed accordingly;
- (f) a “person” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing; and
- (g) a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Other References

- (a) In this Deed, unless a contrary intention appears, a reference to:
 - (i) any PIK Secured Party, the Chargor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees and in the case of the PIK Security Agent, any person for the time being appointed as PIK Security Agent or PIK Security Agents in accordance with the PIK Debt Documents;
 - (ii) any PIK Debt Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended (howsoever fundamentally and whether or not such amendment results in new and / or more onerous obligations and liabilities), including by way of a change in the purpose of the facilities, or by way of a refinancing, deferral or extension of the facilities or by way of an addition or increase of or other changes to the facilities or other obligations or liabilities under the agreements or accession or retirement of the parties to the agreements;
 - (iii) any clause or schedule is a reference to, respectively, a clause of and schedule to this Deed and any reference to this Deed includes its schedules; and
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.
- (b) The index to and the headings in this Deed are inserted for convenience only and are to be ignored in construing this Deed.
- (c) Words importing the plural shall include the singular and vice versa.

1.4 Incorporation by reference

Unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Intercreditor Agreement or the PIK Facilities Agreement have the same meanings when used in this Deed.

1.5 Miscellaneous

- (a) The terms of the documents under which the PIK Secured Obligations arise and of any side letters between the Chargor and any PIK Secured Party relating to the PIK Secured Obligations are incorporated in this Deed to the extent required for any purported disposition of the Charged 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.
- (b) The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Deed and no rights or benefits expressly or impliedly conferred by this Deed shall be enforceable under that Act against the Parties by any other person.
- (c) The parties hereto intend that this document shall take effect as a deed notwithstanding that any party may only execute this document under hand.

2. COVENANT TO PAY AND LIMITED RECOURSE

- (a) The Chargor as primary obligor covenants with the PIK Security Agent (for the benefit of itself and the other PIK Secured Parties) that it will on demand pay the PIK Secured Obligations when they fall due for payment.

- (b) Notwithstanding any other provision in this Deed and/or any other PIK Debt Document, the recourse of the PIK Security Agent and/or any Receiver against the Chargor under this Deed shall be limited to recourse against the Charged Property (including, for the avoidance of doubt, the proceeds of sale or other realisation thereof) only and, for the avoidance of doubt, the PIK Secured Parties shall have no recourse against any other asset, property, title or interest in any other asset or property owned by the Chargor nor a claim against the Chargor for payment of any amount than may be owed by the Company to the PIK Finance Parties under the PIK Finance Documents.

3. CHARGING PROVISION

3.1 Specific Security

Subject to the terms of the Intercreditor Agreement and the Transaction Security Documents entered into in relation to (and as defined in) the Senior Facilities Agreement, the Chargor, as continuing security for the payment of the PIK Secured Obligations, charges in favour of the PIK Security Agent by way of fixed charge and with full title guarantee if not effectively assigned by Clause 3.2 (*Security Assignment*), all Receivables, both present and future, from time to time owned by it or in which it has an interest, and all rights and claims against third parties and against any security in respect of those Receivables.

3.2 Security Assignment

As further continuing security for the payment of the PIK Secured Obligations, subject to the terms of the Intercreditor Agreement and the Transaction Security Documents entered into in relation to (and as defined in) the Senior Facilities Agreement, the Chargor assigns absolutely with full title guarantee to the PIK Security Agent all its rights, title and interest, both present and future, from time to time in all Receivables and all rights and claims against third parties and against any security in respect of those Receivables subject to reassignment by the PIK Security Agent to the Chargor of all such rights, title and interest upon payment or discharge in full of the PIK Secured Obligations.

4. FURTHER ASSURANCE

- (a) The covenants set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-clause 4 (b) and (c) below.
- (b) The Chargor shall promptly (and at its own expense) do all such acts or execute or re-execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the PIK Security Agent may reasonably specify (and in such form as the PIK Security Agent may reasonably require):
 - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution or re-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 this Deed) or for the exercise of any rights, powers and remedies of the PIK Security Agent or the other PIK Secured Parties provided by or pursuant to this Deed or by law;
 - (ii) to confer on the PIK Security Agent, or on the PIK Secured Parties, Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or

- (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created under this Deed.
- (c) 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 PIK Security Agent or the PIK Secured Parties by or pursuant to this Deed.

5. NEGATIVE PLEDGE

No Chargor may:

- (a) create or agree to create or permit to subsist any Security or Quasi-Security over all or any part of the Charged Property;
 - (b) sell, transfer, assign, lend or otherwise dispose of all or any part of the Charged Property or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or
 - (c) dispose of any equity of redemption in respect of all or any part of the Charged Property,
- except as permitted by the PIK Facilities Agreement or with the prior consent of the PIK Security Agent.

6. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to the PIK Security Agent on the date of this Deed and, in relation to the representations in paragraphs (a) to (j) (inclusive) below, on each date that the Repeating Representations are repeated under the PIK Facilities Agreement that:

- (a) **(receivables)** all Receivables are governed by English law;
- (b) **(status)** it is a company or corporation, it is duly incorporated or formed and validly existing under the laws of its jurisdiction of incorporation or formation;
- (c) **(binding obligations)** subject to the Legal Reservations (and in the case of subparagraph (ii) only) the Perfection Requirements:
 - (i) the obligations expressed to be assumed by it in each PIK Finance Document to which it is a party are legal, valid, binding and enforceable obligations; and
 - (ii) (without limiting the generality of paragraph (i) above), each Transaction Security Document to which it is a party creates the security interest which that Transaction Security Document purports to create and those security interests are valid and effective;
- (d) **(non-conflict with other obligations)** the entry into and performance by it of, and the transactions contemplated by, the PIK Finance Documents and the granting of the Transaction Security contemplated by this Deed do not and will not conflict with:
 - (i) any law or regulation applicable to it;
 - (ii) its constitutional documents; or

- (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument;
- (e) **(power and authority)**
 - (i) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the PIK Finance Documents to which it is or will be a party and the transactions contemplated by those PIK Finance Documents;
 - (ii) no limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of indemnities contemplated by the PIK Finance Documents to which it is a party;
- (f) **(validity and admissibility in evidence)** subject to the Legal Reservations, all Authorisations required or desirable:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the PIK Finance Documents to which it is a party; and
 - (ii) to make the PIK Finance Documents to which it is a party admissible in evidence in the Relevant Jurisdictions,

have been obtained or effected and are in full force and effect except for those necessary to satisfy the Perfection Requirements;
- (g) **(governing law and enforcement)** subject to the Legal Reservations:
 - (i) the choice of governing law of the PIK Finance Documents will be recognised and enforceable in its Relevant Jurisdictions; and
 - (ii) any judgment obtained in relation to a PIK Finance Document in the jurisdiction of the governing law of the PIK Finance Document will be recognised and enforced in its Relevant Jurisdiction;
- (h) **(ranking)** subject to the Legal Reservations, the Perfection Requirements and the terms of the Intercreditor Agreement and the Transaction Security Documents entered into in relation to (and as defined in) the Senior Facilities Agreement, the Transaction Security has or will have the ranking in priority which it is expressed to have in the Transaction Security Documents and it is not subject to any prior ranking or pari passu ranking Security;
- (i) **(legal and beneficial ownership)** subject to the terms of the Intercreditor Agreement and the Transaction Security Documents entered into in relation to (and as defined in) the Senior Facilities Agreement, it is the sole legal and beneficial owner of the respective assets over which it purports to grant Security;
- (j) **(insolvency)** no:
 - (i) corporate action, legal proceeding or other procedure or step described in clause 21.6 (a) (*Insolvency Proceedings*) of the PIK Facilities Agreement; or
 - (ii) creditors' process described in clause 21.7 (*Creditors' Process*) of the PIK Facilities Agreement,

has been taken or threatened in relation to it; and none of the circumstances described in clause 21.5 (*Insolvency*) of the PIK Facilities Agreement applies to it; and

- (k) Schedule 2 (*Details of Receivables*) truly and accurately details the Receivables as at 30 November 2018 and there have been no material changes in respect of the Receivables since that date.

7. PROTECTION OF SECURITY

7.1 Title Documents

- (a) The PIK Security Agent may retain any document delivered to it under this Clause 7.1 or otherwise until the security created under this Deed is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the Chargor require that the document be redelivered to it and the Chargor shall promptly comply (or procure compliance) with that notice.
- (b) Any document required to be delivered to the PIK Security Agent under this Clause 7.1 which is for any reason not so delivered or which is released by the PIK Security Agent to the Chargor shall be held on trust by the Chargor for the PIK Security Agent.

7.2 Receivables

- (a) The Chargor shall:
 - (i) in respect of any Receivable which becomes part of the Charged Property after the date of execution of this Deed, promptly (and in any event within 5 Business Days) after such date the Receivable becomes part of the Charged Property), give notice in the form of the Counterparty Notice to the relevant debtor that it has charged its right under the relevant Receivable to the PIK Security Agent under this Deed. The Chargor will procure that the relevant debtor signs and delivers to the PIK Security Agent an acknowledgement substantially in the form of that set out in the schedule to the relevant Counterparty Notice within 21 days of the execution of this Deed (or in respect of any Receivable which becomes part of the Charged Property after the date of execution of this Deed, within 21 days of receipt of the Debtor Notice by the relevant debtor); and
 - (ii) not do or permit to be done (insofar as this is within its power and control to do so), anything which could prejudice the enforceability or validity of the Security contemplated herein except as permitted by the PIK Finance Documents.
- (b) The PIK Security Agent shall not be entitled to give any notice referred to in paragraph 1 of the Counterparty Notice unless and until a Declared Default has occurred.

8. PIK SECURITY AGENT'S POWER TO REMEDY

8.1 Power to Remedy

If the Chargor fails to comply with any obligation set out in Clause 7 (*Protection of Security*) and that failure is not remedied to the satisfaction of the PIK Security Agent within 5 Business Days of the PIK Security Agent giving notice to the Chargor or the Chargor becoming aware of the failure to comply, it will allow (and irrevocably authorises) the PIK Security Agent or any person which the PIK Security Agent nominates to take any action on behalf of the Chargor which is necessary to ensure that those obligations are complied with.

9. CONTINUING SECURITY

9.1 Continuing Security

The Security constituted by this Deed shall be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the PIK Secured Obligations or any other act, matter or thing.

9.2 Other Security

The Security constituted by this Deed is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other Security or other right which the PIK Security Agent and/or any other PIK Secured Party may now or after the date of this Deed hold for any of the PIK Secured Obligations, and this Security may be enforced against the Chargor without first having recourse to any other rights of the PIK Security Agent or any other PIK Secured Party.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement Powers

For the purpose of all rights and powers implied or granted by statute, the PIK Secured Obligations are deemed to have fallen due on the date of this Deed. The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 and all other enforcement powers conferred by this Deed shall be immediately exercisable at any time after a Declared Default has occurred.

10.2 Statutory Powers

The powers conferred on mortgagees, receivers or administrative receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) shall apply to the Security created under this Deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this Deed, those contained in this Deed shall prevail.

10.3 Exercise of Powers

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Deed, and all or any of the rights and powers conferred by this Deed on a Receiver (whether expressly or impliedly), may be exercised by the PIK Security Agent without further notice to the Chargor at any time after a Declared Default, irrespective of whether the PIK Security Agent has taken possession or appointed a Receiver of the Charged Property.

10.4 Disapplication of Statutory Restrictions

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this Deed.

10.5 Appropriation under the Financial Collateral Regulations

- (a) To the extent that any of the Charged Property constitutes “financial collateral” and this Deed and the obligations of the Chargor hereunder constitute “security financial collateral arrangement” (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (as amended) (the “Regulations”)), the PIK Security Agent shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the PIK Secured Obligations

and may exercise that right to appropriate by giving notice to the Chargor at any time after a Declared Default has occurred.

- (b) The Parties agree that the value of any such appropriated financial collateral shall be: (x) in the case of securities, the price at which such securities can be disposed of by the PIK Security Agent; and (y) in the case of any other asset, the market value of such financial collateral as determined by the PIK Security Agent, in each case, in a commercially reasonable manner (including by way of an independent valuation). The Parties agree that the methods of valuation provided for in this paragraph shall constitute commercially reasonable methods of valuation for the purposes of the Regulations.

11. RECEIVERS

11.1 Appointment of Receiver

- (a) Subject to paragraph (d) below, at any time after a Declared Default or if so requested by the Chargor, the PIK Security Agent may by writing under hand signed by any officer or manager of the PIK Security Agent, appoint any person (or persons) to be a Receiver of all or any part of the Charged Property.
- (b) Section 109(1) of the Law of Property Act 1925 shall not apply to this Deed.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed.
- (d) The PIK Security Agent shall be entitled to appoint a Receiver save to the extent prohibited by section 72A Insolvency Act 1986.

11.2 Powers of Receiver

Each Receiver appointed under this Deed shall have (subject to any limitations or restrictions which the PIK Security Agent may incorporate in the deed or instrument appointing it) all the powers conferred from time to time on receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this Deed), so that the powers set out in schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any liquidation of the Chargor, each Receiver shall have power to:

- (a) enter into or cancel any contracts on any terms or conditions;
- (b) incur any liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (c) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions;
- (d) redeem any prior Security on or relating to the Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;

- (e) appoint and discharge officers and others for any of the purposes of this Deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (f) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating to any of the Charged Property; and
- (g) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 11.2, or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property, and use the name of the Chargor for all such purposes,

and in each case may use the name of the Chargor and exercise the relevant power in any manner which he may think fit.

11.3 Receiver as Agent

Each Receiver shall be the agent of the Chargor, which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. The PIK Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

11.4 Removal of Receiver

The PIK Security Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

11.5 Remuneration of Receiver

The PIK Security Agent may from time to time fix the remuneration of any Receiver appointed by it.

11.6 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

12. APPLICATION OF PROCEEDS

12.1 Order of Application

All moneys received or recovered by the PIK Security Agent or any Receiver pursuant to this Deed shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by the Chargor.

12.2 Section 109 Law of Property Act 1925

Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

12.3 Application against PIK Secured Obligations

Subject to Clause 12.1 above, any moneys or other value received or realised by the PIK Security Agent from the Chargor or a Receiver under this Deed may be applied by the PIK Security Agent to any item of account or liability or transaction forming part of the PIK Secured Obligations to which they may be applicable in any order or manner which the PIK Security Agent may determine.

12.4 Suspense Account

Until the PIK Secured Obligations are paid in full, the PIK Security Agent or the Receiver (as applicable) may place and keep (for such time as it shall determine) any money received, recovered or realized pursuant to this Deed or on account of the Chargor's liability in respect of the PIK Secured Obligations in an interest bearing separate suspense account (to the credit of either the Chargor or the PIK Security Agent or the Receiver as the PIK Security Agent or the Receiver shall think fit) and the PIK Security Agent or the Receiver may retain the same for the period which it considers expedient without having any obligation to apply all or any part of that money in or towards discharge of the PIK Secured Obligations.

13. PROTECTION OF PIK SECURITY AGENT AND RECEIVER

13.1 No Liability

Neither the PIK Security Agent nor any Receiver shall be liable in respect of any of the Charged Property or 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, their respective powers, unless caused by its or his gross negligence, wilful default or breach of any obligations under the PIK Debt Documents.

13.2 Possession of Charged Property

Without prejudice to Clause 13.1 above, if the PIK Security Agent or the Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

13.3 Primary liability of Chargor

The Charged Property shall be deemed to be a principal security for the PIK Secured Obligations. The liability of the Chargor under this Deed and the charges contained in this Deed shall not be impaired by any forbearance, neglect, indulgence, abandonment, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the PIK Security Agent or any other PIK Secured Party, or by any other act, event or matter whatsoever whereby the liability of the Chargor (as a surety only) or the charges contained in this Deed (as secondary or collateral charges only) would, but for this provision, have been discharged.

13.4 Waiver of defences

Clause 21.4 (*Waiver of defences*) of the Intercreditor Agreement will apply in relation to this Deed, *mutatis mutandis*, as if incorporated in this Deed.

13.5 PIK Security Agent

The provisions set out in Clauses 16.28 (*PIK Security Agent as trustee*) to 16.54 (*Intra-Group Lenders, Subordinated Creditors, Debtors and Third Party Security Providers: Power of Attorney: PIK Security Agent*) of the Intercreditor Agreement shall govern the rights, duties and obligations of the PIK Security Agent under this Deed.

13.6 Cumulative Powers

The powers which this Deed confers on the PIK Security Agent, the other PIK Secured Parties and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The PIK Security Agent, the other PIK Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the PIK Security Agent, the other PIK Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

14. POWER OF ATTORNEY

- (a) The Chargor, by way of security, irrevocably and severally appoints the PIK Security Agent, each Receiver and any person nominated for the purpose by the PIK Security Agent or any Receiver (in writing and signed by an officer of the PIK Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the PIK Security Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and the Chargor covenants with the PIK Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.
- (b) The power given under paragraph (a) above may be exercised at any time after:
 - (i) the occurrence of a Declared Default; or
 - (ii) if the Chargor has failed to comply with a further assurance or perfection obligation under this Deed, within 5 Business Days of being notified of that failure and being requested to comply.

15. PROTECTION FOR THIRD PARTIES

15.1 No Obligation to Enquire

No purchaser from, or other person dealing with, the PIK Security Agent or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the PIK Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the PIK Secured Obligations remain outstanding and/or are due and payable or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

15.2 Receipt Conclusive

The receipt of the PIK Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the PIK Security Agent or any Receiver.

16. REINSTATEMENT AND RELEASE

16.1 Amounts Avoided

If any amount paid by a Chargor in respect of the PIK Secured Obligations is capable of being avoided or set aside on the liquidation or administration of the Chargor or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

16.2 Discharge Conditional

Any settlement or discharge between the Chargor and any PIK Secured Party shall be conditional upon no security or payment to that PIK Secured Party by the Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of that PIK Secured Party under this Deed) that PIK Secured Party shall be entitled to recover from the Chargor the value which that PIK Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

16.3 Covenant To Release

Once all the PIK Secured Obligations have been irrevocably paid in full and none of the PIK Security Agent nor any PIK Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, the Chargor, the PIK Security Agent and each PIK Secured Party shall, at the request of the Chargor (and cost of the Chargor), execute any documents (or procure that its nominees execute any documents) or take any action which may be necessary to release the Charged Property from the Security constituted by this Deed.

17. CURRENCY CLAUSES

17.1 Conversion

All monies received or held by the PIK Security Agent or any Receiver under this Deed may be converted into any other currency which the PIK Security Agent considers necessary to cover the obligations and liabilities comprised in the PIK Secured Obligations in that other currency at the PIK Security Agent's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

17.2 No Discharge

No payment to the PIK Security Agent (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made unless and until the PIK Security Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the PIK Security Agent shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security constituted by this Deed to recover the amount of the shortfall.

18. RULING OFF

If the PIK Security Agent or any other PIK Secured Party receives notice of any subsequent Security or other interest affecting any of the Charged Property (except as permitted by the PIK Facilities Agreement) it may open a new account for the Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the Chargor), as from the time it receives that notice, all payments made by the Chargor to it (in the absence of any express appropriation

to the contrary) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the PIK Secured Obligations.

19. REDEMPTION OF PRIOR CHARGES

The PIK Security Agent may, at any time after a Declared Default has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor. The Chargor will on demand pay to the PIK Security Agent all principal moneys and interest and all losses incidental to any such redemption or transfer.

20. NOTICES

- 20.1 Clause 20 (Notices) of the Intercreditor Agreement will apply in relation to this Deed *mutatis mutandis*, as if incorporated in this Deed.

21. CHANGES TO PARTIES

21.1 Assignment by the PIK Security Agent

The PIK Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Deed in accordance with the PIK Debt Documents.

21.2 Changes to Parties

The Chargor authorises and agrees to changes to parties under Clause 22 (*Changes to the Lenders*) of the PIK Facilities Agreement and authorises the PIK Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

22. MISCELLANEOUS

22.1 Certificates Conclusive

Any certification or determination by the Security Agent of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22.2 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.

22.3 Invalidity of any Provision

If any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

22.4 Failure to Execute

Failure by one or more parties ("Non-Signatories") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other Parties who do execute this Deed. Such Non-Signatories may execute this Deed on a subsequent date and will thereupon become bound by its provisions.

23. GOVERNING LAW AND JURISDICTION

23.1 Governing law

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

23.2 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 relating to the existence, validity or termination of this Deed or any non-contractual obligation 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) Notwithstanding paragraph (a) above, no PIK 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 PIK Secured Parties may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Deed has been duly executed as a deed and is delivered on the date first above written.

SCHEDULE 1
FORM OF COUNTERPARTY NOTICE

To: [insert name and address of counterparty]

Dated: [●]

Dear Sirs

Re: *[identify the agreement under which the relevant Receivable arises]* (the “Agreement”)

We notify you that [insert name of Chargor] (the “Chargor”) has assigned in favour of [insert name of PIK Security Agent] (the “PIK Security Agent”) for the benefit of itself and certain other financial institutions (the “PIK Secured Parties”) all its right, title and interest in the Agreement as security for certain obligations owed by the Chargor to the PIK Secured Parties by way of a charge dated [●].

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 PIK 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 PIK Security Agent;
2. You are authorised to disclose information in relation to the Agreement to the PIK Security Agent on request;
3. 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 PIK Security Agent (and not to the Chargor) unless the PIK Security Agent otherwise agrees in writing; and
4. The provisions of this notice may only be revoked with the written consent of the PIK Security Agent.

Please sign and return the enclosed copy of this notice to the PIK 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; and
- (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.

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: [insert name and address of PIK Security Agent]

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 (b) above.

.....
for and on behalf of
[insert name of Counterparty]

Dated:

SCHEDULE 2
DETAILS OF RECEIVABLES

Creditor/Lender/Security Provider	Debtor	Amount
Primary Group (UK) Limited	Rural & Commercial Holdings Limited	£16,493,190
	Iceberg (UK) Holdings Limited	£26,740,322
	QMetric Group Holdings Limited	£22,922,019
	Thistle Initiatives Limited	£501,094
	C-Quence Technologies Limited	£2,411,451
	Primary Limited	£430,766
	Primary Group Limited	£443,053

SIGNATORIES TO RECEIVABLES CHARGE

THE CHARGOR

By: **PRIMARY GROUP (UK) LIMITED** as Third Party Security Provider

REDACTED

Signature of Director

Stephen Nicholas Hardy

Name of Director

in the presence of

REDACTED

Signature of witness

Phillipa Veitch

Name of witness

REDACTED

Address of witness

REDACTED

Secretary

Occupation of witness

Address: 1 Adam Street, London WC2N 6LE

Fax: 0203 056 6121

Attention: Phillipa Veitch

THE PIK SECURITY AGENT

EXECUTED as a **DEED** by

LUCID TRUSTEE SERVICES LIMITED acting by:

Authorised Signatory (signature):

REDACTED

Name:

Christopher Eastlake
Authorised Signatory

Notice Details

Address: 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London, EC2M
5PG, United Kingdom

Fax number: +44 844 507 0035

Attention: Transaction Management (deals@lucid-ats.com)