



Registration of a Charge

Company name: **ROYAL MAIL PENSIONS TRUSTEES LIMITED**
Company number: **03248664**

Received for Electronic Filing: **04/06/2014**



Details of Charge

Date of creation: **29/05/2014**
Charge code: **0324 8664 0002**
Persons entitled: **BIS (POSTAL SERVICES ACT 2011) COMPANY LIMITED**
Brief description:

Contains floating charge(s) .
Contains negative pledge.
Chargor acting as a bare trustee for the property.

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LOUISE ASBRIDGE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3248664

Charge code: 0324 8664 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th May 2014 and created by ROYAL MAIL PENSIONS TRUSTEES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th June 2014 .

Given at Companies House, Cardiff on 4th June 2014

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

29 May 2014

ROYAL MAIL PENSIONS TRUSTEES LIMITED
(as *Charger*)

AND

RIS (POSTAL SERVICES ACT 2011) COMPANY LIMITED
(as *Secured Party*)

**FLOATING CHARGE DEED SECURING
OBLIGATIONS OF THE RMPP TRUSTEE UNDER
THE REFERENCE ASSET PAYMENTS
AGREEMENT**

CERTIFIED A TRUE AND COMPLETE COPY
OF THE ORIGINAL

Freshfields Bruckhaus Deringer LLP
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THIS FLOATING CHARGE DEED is made on 29 May 2014

BETWEEN:

- (1) **BIS (POSTAL SERVICES ACT 2011) COMPANY LIMITED** (registered number 7941521) whose registered office is Masters House, 107 Hammersmith Road, London, W14 0QH (the *Fund* or the *Secured Party*); and
- (2) **ROYAL MAIL PENSIONS TRUSTEES LIMITED** (registered number 3248664), whose registered office is 11 Ironmonger Lane, London, England, EC2V 8EY (the *RMPP Trustee* or the *Chargor*),

each a *Party* and together the *Parties*.

WHEREAS

- (A) The RMPP Trustee is the trustee of the Royal Mail Pension Plan (the *RMPP*).
- (B) The Fund and the RMPP Trustee entered into on 29 May 2014 the reference asset payments deed (the *RAPD*).
- (C) The RMPP Trustee has agreed to grant a floating charge by way of security over all its right, title, benefit and interest in the Additional Collateral and the Substitute Cash Collateral (as defined in the RAPD) as security for its obligations under the RAPD.

IT IS AGREED

1. INTERPRETATION AND DEFINITIONS

Definitions

1.1 Unless otherwise defined in this Floating Charge Deed, capitalised terms defined in the RAPD or the Asset Transfer Order shall have the same meaning in this Floating Charge Deed. In this Floating Charge Deed the following expressions shall, except where the context otherwise requires or where otherwise defined herein, have the following meaning:

Aggregate Floating Charge Delivery Amount means 250% of an amount equal to the value of the Reference Asset as set out in the most recent Reference Asset Accounts less the aggregate value of:

- (a) the Properties, as determined by the Property Valuation Agent; and
- (b) the Substitute Collateral (if any);

Aggregate Floating Charge Return Amount means 300% of an amount equal to the value of the Reference Asset as set out in the most recent Reference Asset Accounts less the aggregate value of:

- (a) the Properties, as determined by the Property Valuation Agent; and
- (b) the Substitute Collateral (if any);

Assigned Rights means all rights relating to the Additional Collateral and the Substitute Cash Collateral which the Chargor may have now or in the future against the Custodian or any third

party including various functions, my right to delivery of a record of the unrecorded transaction which takes in connection with the my Additional Contract and the Subordinate Cash Contract being transferred in a document system or financial intermediary or the an interest in or to my Additional Contract or the my Subordinate Cash Contract being acquired, while the Contract is in a document system or held through a financial intermediary;

Charged Property means the whole of the right, title, benefit and interest of the Chargee in the property, present and future of the Chargee charged by or pursuant to Clause 2.2 (Security of the Financial Library Used).

Class of Securities means, a) or, b) means (b) only;

Consequential Event means, any of the circumstances set out in Clauses 3.1 and 3.2 (Consequentiality);

Default Rate means a per cent amount equal to the per cent per annum provided or notified of any actual rate of the relevant prime rate provided by me at 3 years to 2 and or of funding the relevant amount plus 1 per cent per annum;

Defaulting Party has the meaning specified in Clause 4.1 (Default Consequences or Termination);

Defaulting Party Debt means, with respect to my Rights Under said contract in the Additional Contract (other than such events as which include of the Rights Under said contract to receive Liquidation or of the Debt as set out in the Business Plan, the said Defaulting Party Business Plan);

Defaulting Party Debt Default means has the meaning specified in Clause 4.1 (Defaulting Party Debt Default or Termination);

Defaulting Party Debt Default Amount has the meaning specified in Clause 4.2 (Defaulting Party Debt Default Amount or Termination);

Defaulting Party Debt means my liability, demand, debt or owing, if applicable, cost of funding (not including an interest or fee or otherwise) or expense, including property interest and, reasonable legal fees (not always including any consequential loss and or loss of profits and any VAT thereon);

Joint Investment Account means the Joint Investment Cash Account and the Joint Investment Currency Account;

Joint Investment Cash Account means the "Joint Investment Cash Account" with account designation ATCT in the name of the Chargee held with the Custodian and such other accounts as the Custodian may from time to time establish under the Custody Agreement;

Joint Investment Currency Account means the "Joint Investment Currency Account" with account designation ATCT in the name of the Chargee held with the Custodian and such other designated accounts as the Custodian may from time to time establish under the Custody Agreement;

Joint Investment Plan means,

- (a) in relation to a transfer of cash or other property (other than securities) under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment;
- (b) in relation to a transfer of securities under this Floating Charge Deed, a day on which the clearance system agreed between the Parties for delivery of the securities is open for the acceptance and execution of settlement instructions or, if delivery of the securities is contemplated by other means, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place(s) agreed between the Parties for this purpose;
- (c) in relation to a valuation under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of business of the Additional Collateral Valuation Agent and in the place(s) agreed between the Parties for this purpose; and
- (d) in relation to any notice or other communication under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place specified in the address for notice most recently provided by the recipient;

Loss means any liability, damages, cost (including, if applicable, cost of funds), loss (whether in contract or tort or otherwise) or expense (including legal fees) (and including always any consequential loss and any loss of profit) and any VAT thereon;

Notification Time means Close of Business on a Local Business Day relating to the relevant notice or other communication;

Obligations means, with respect to the Chargor, all present and future obligations of the Chargor arising under the RAPD;

Original Provided Collateral has the meaning specified in Clause 5.5 (*Substitutions*);

Recalculation Date means the Valuation Date that gives rise to the dispute under Clause 6 (*Dispute Resolution*); provided, however, that if a subsequent Valuation Date occurs under Clause 3.4(c) (*Credit Support Obligations*) prior to the resolution of the dispute, then the Recalculation Date means the most recent Valuation Date under Clause 3.4(c) (*Credit Support Obligations*);

Receiver means any person (being a licensed insolvency practitioner), who is appointed by the Secured Party to be a receiver or an administrative receiver (as the case may be) of the Additional Collateral and/or the Substitute Cash Collateral to act jointly, or jointly and severally, as the Secured Party shall determine;

Relevant Event has the meaning specified in Clause 8 (*Default*);

Resolution Time means Close of Business on the Local Business Day relating to the relevant notice following the date on which that notice is given that gives rise to a dispute under Clause 6 (*Dispute Resolution*);

Settlement Day means, in relation to a date, (i) with respect to a transfer of cash or other property (other than securities), the next Local Business Day and (ii) with respect to a transfer

at sometime, the first Local Unleaded Day either on a date on which petroleum of a grade in the relevant jurisdiction is obtained or such date, would have been subject to secondary with unleaded gasoline when passing through the electronic system regional between the parties for delivery of such gasoline, or, otherwise, on the market on which such gasoline are regularly traded prior to such date. If there is no such secondary market, on the first Local Unleaded Day, petroleum shall be obtained by a reasonably practicable method with such date).

Additional Delivery by the quantity provided in Clause 5.3 (Delivery quantity).

Additional Day by the quantity provided in Clause 5.4 (Delivery quantity).

Additional Notice by the quantity provided in Clause 5.5 (Delivery quantity).

Valuation This clause is a part of the terms of the price of business of the Additional Unleaded Unleaded Area on the Valuation Day as date of valuation in applying, provided that the valuations of Value and Aggregates Unleaded Unleaded Area or Aggregates Unleaded Unleaded Area shall be applied to the valuation, in each case of application, the valuation on the same date.

Unleaded

1.1. Any reference in this Floating Charge Deed to a statutory provision shall include that provision and any subordinate acts, in pursuant to that as from time to time provided or amended as or after the date of this Floating Charge Deed or as such subordinate, subordinate or subordinate applies or is capable of applying to any instrument entered into pursuant to connection with this Floating Charge Deed.

1.2. The business in this Floating Charge Deed are subject to amendments only and shall be subject to amendments in connection with this Floating Charge Deed.

1.3. References to *business* in this Floating Charge Deed shall be subject to amendments only and shall be subject to amendments in connection with this Floating Charge Deed.

1.4. Unless the contract otherwise requires, words (including words defined in this Floating Charge Deed) denoting the singular number only shall include the plural and vice versa, words beginning the masculine gender shall include the feminine and neuter gender, and words importing a particular method or body of work or any other and vice versa.

1.5. The words *order* and *working* include any amount of work or reproduction.

1.6. References to *business*, *business* or *business* are to be taken to include all or substantially all of the Floating Charge Deed. The *business* shall be part of the Floating Charge Deed.

1.7. The words *business*, *business* and *business* shall be construed as if they were followed by the words *and/or* *business*.

Conflict between the R&P and this Floating Charge Deed

1.8. In the event of any inconsistency between this Floating Charge Deed and the provisions of the R&P, the Floating Charge Deed will prevail.

2. SECURITY

Covenant to Perform

2.1 The Chargor covenants with the Secured Party that it will perform the Obligations in the manner provided in the RAPD and this Floating Charge Deed.

Security

2.2 The Chargor, as security for the performance of the Obligations hereby:

- (a) charges and agrees to charge with full title guarantee, in favour of the Secured Party by way of first floating security all of its right, title, interest and benefit present and future, in to and under the Joint Instruction Cash Account and in and to all Additional Collateral and Substitute Cash Collateral which may now be or hereafter is from time to time standing to the credit of the Joint Instruction Cash Account and each debt represented by these amounts, including all Interest accrued and other moneys received in respect thereof;
- (b) charges and agrees to charge with full title guarantee, in favour of the Secured Party by way of first floating security all of its right, title, interest and benefit present and future, in to and under the Joint Instruction Custody Account and in and to all Additional Collateral and Substitute Cash Collateral which may now be or hereafter is from time to time standing to the credit of the Joint Instruction Custody Account including any other property paid, distributed, accruing or offered at any time on, to or in respect of, or in substitution therefor and the proceeds of sale, repayment and redemption thereof; and
- (c) by way of first floating security, assigns and agrees to assign, with full title guarantee, the Assigned Rights to the Secured Party absolutely.

Notification of Custodian

2.3 The Chargor shall notify the Custodian of the security created by this Floating Charge Deed in the form (or substantially similar form) set out in Schedule 1 (*Form of Notice*) as soon as reasonably practicable after entering into this Floating Charge Deed and use their reasonable endeavours that the Custodian acknowledge receipt of the notice.

Transfers and payments from the Joint Instruction Accounts

2.4 Subject to Clause 2.5 below, no transfer of any or all Charged Property or payment from the Joint Instruction Accounts shall be made unless both the Fund and the Chargor (or the person or persons acting on the Chargor's behalf) have given written instructions by way of facsimile (or such other form of communication as the Fund may consent to) to the Custodian authorising such transfer or payment. The Fund and the Chargor (or a person acting on behalf of the Chargor) shall arrange for each transfer or payment instruction from the Joint Instruction Accounts to be signed by both parties prior to the delivery or transmission to the Custodian. The Fund may withhold its consent to any transfer or payment from the Joint Instruction Accounts in its sole discretion.

2.5 Upon the security created by Clause 2.2 (*Security*) becoming enforceable, the Fund shall be able to give any and all instructions in respect of transfers of any and all assets and payments from the Joint Instruction Accounts without the written instructions or the consent of the Chargor (or a person or persons acting on the Chargor's behalf).

Release of Security

2.6 Upon the receipt by the Custodian, following the execution of the Surrender of the Seized Property, to the Chargee (or its Agent) of Additional Collateral and/or the Chargee's Indemnity, the security interest granted under the Pledging Charge Deed shall, upon receipt of the Additional Collateral and/or Indemnity Cash Collateral (as appropriate) as indicated, will be deemed to be released immediately, and the Assigned Rights relating to the Additional Collateral and/or Indemnity and Cash Collateral (as appropriate) will be immediately deemed to be assigned to the Chargee, in each case without any further action by either Party.

Perfection of Security

2.7 The security constituted by the Pledging Charge Deed shall be a continuing security and shall not be affected by any intermediate payment or satisfaction of the whole or any part of the Obligations but shall remain the absolute interest of the Chargee. The security constituted by the Pledging Charge Deed shall be in addition to and shall not be affected by any other security now or subsequently held by the Secured Party the whole or any part of the Obligations.

Warranty of Indemnity

2.8 The obligations of the Chargee under the Pledging Charge Deed shall not be affected by any set-off, counterclaim or circumstance which may for any purpose, right reason or release or otherwise extinguish the Chargee from its obligation under the Pledging Charge Deed or nullify such obligations and whether or not provided in the Chargee or the Financial Party.

- (a) any time or money now granted to or in payment with the Chargee, the Custodian or any other person;
- (b) the variation, amendment, termination, renewal or release of, or refusal or neglect to perfect or enforce, any security of the RABP, the Custody Agreement or the rights or interests granted to any security provided by the Chargee, the Custodian or any other person;
- (c) any irregularity, insolvency or eventuality of any obligation of the Chargee under the RABP, the Custodian under the Custody Agreement or the herein that the Chargee's obligation under the Pledging Charge Deed shall remain as full force and the Pledging Charge Deed shall be construed accordingly as if there were no such irregularity or eventuality; or
- (d) any legal disclaimer, discharge, impairment or other circumstance relating to the Chargee, any guarantor or any other person providing the Custodian or any assignment or its release or the herein of the RABP or any other document or security.

Immediate Recovery

2.9 The Chargee reserves the right at any time of time requiring the Secured Party to provide equities of claim payment from any other person or enforce any guarantee or remedy before enforcing the Pledging Charge Deed.

Indemnification

2.10. When any discharge (whether in respect of the security provided by the Floating Charge Deed, any other security or otherwise) is made in whole or in part (whether or not made on the basis of any payment, security or other disposition which is provided or not) or any part pursuant to any such discharge or arrangement, then the liability of the Charge under the Floating Charge Deed shall continue as if there had been no such discharge or arrangement.

Negative Pledge

2.11. The Charge shall not come or permit to exist (i) from whom such liability is not waived by operation of law or transaction, any security interest (including mortgages) in, over or affecting the Assets of the Group, the Substantive Cash Collection or the Asset-backed Securities.

3. Crystallisation events

Crystallisation events

3.1. Without prejudice to Clause 2.2 (Automatic Crystallisation), if at any time while any of the Obligations are outstanding and not discharged in full in accordance with the Floating Charge Deed, the Event and Party may:

- (a) If the Advisers determine, the Advisers' Client Collection or any material part thereof is in danger of being reduced or sold under any form of distress or execution forced or threatened or in otherwise unauthorised disposal or disposal;
- (b) If any circumstances shall arise which seriously jeopardise, impede or threaten the security interest pursuant to Clause 2.2 (Security) in its ability to pay all the Obligations;

be notice as set out in the Charge give a notice of crystallisation to the Charge pursuant to the Clause 3.1 (Crystallisation events) and upon giving the notice the Floating Charge created by Clause 2.2 (Security) shall, to the extent permitted by law, be crystallised and converted into a fixed charge in the Advisers' Collection and the Substantive Cash Collection.

Automatic Crystallisation

3.2. In addition and without prejudice to Clause 3.1 (Crystallisation events), the Floating Charge created by Clause 2.2 (Security) shall automatically and immediately be converted into a fixed charge over the Advisers' Collection and the Substantive Cash Collection.

- (a) If and when an Event occurs which is set out in the Event and Party or a Relevant Event occurs;
- (b) If the Charge, takes any step to enforce any liability incurred in breach of Clause 2.11 (Negative Pledge) to enforce the Advisers' Collection and the Substantive Cash Collection against the Floating Charge, or

- (c) if any person takes any steps to effect any expropriation, attachment, sequestration, distress or execution affecting the Additional Collateral and/or the Substitute Cash Collateral subject to such floating charge.

De-crystallisation

3.3 The Secured Party may, at any time, by notice in writing to the Chargor de-crystallise the floating charge created by Clause 2.2 (*Security*) which has been converted into a fixed charge pursuant to Clauses 3.1 (*Crystallisation upon notice*) or 3.2 (*Automatic Crystallisation*) as to all of the undertaking, property and assets of the Chargor (or such of them as may be specified in the notice) back into a floating charge.

3.4 The Secured Party shall, at any time, following the written request of the Chargor de-crystallise the floating charge created by Clause 2.2 (*Security*) which has been converted into a fixed charge pursuant to Clauses 3.1 (*Crystallisation upon notice*) or 3.2(c) (*Automatic Crystallisation*) as to all of the undertaking, property and assets of the Chargor (or such of them as may be specified in the notice) back into a floating charge, if the Secured Party is satisfied that:

- (a) following a crystallisation pursuant to Clause 3.1(a) (*Crystallisation upon notice*), the source of the danger of the Additional Collateral and/or the Substitute Cash Collateral being seized or sold under any form of distress or execution levied or threatened or the jeopardy or imperilment is removed;
- (b) following a crystallisation pursuant to Clause 3.1(b) (*Crystallisation upon notice*), the circumstance which caused the crystallisation to occur has ceased; or
- (c) following a crystallisation pursuant to Clause 3.2(c) (*Automatic Crystallisation*), the person who took steps to effect any expropriation, attachment, sequestration, distress or execution affecting the Additional Collateral and/or the Substitute Cash Collateral has ceased to take any further step for that purpose and reversed and/or waived any steps already taken.

Trust with respect to Additional Collateral and/or Substitute Cash Collateral removed from Joint Instructions Accounts

3.5 With effect on and from the date that the floating charge created by Clause 2.2 is crystallised under Clause 3.1 or 3.2, the Chargor hereby acknowledges, declares and agrees that it shall hold as trustee any Additional Collateral and any Substitute Cash Collateral transferred out of the Joint Instruction Accounts without the consent of the Fund, and any interest which accrues on, and income derived from, such Additional Collateral and/or Substitute Cash Collateral (as applicable), absolutely on trust for the benefit of the Fund, and administer such amounts in accordance with this Clause 3.5. The Chargor agrees that it shall take all necessary steps and do everything which the Fund may reasonably request or direct it in writing to do in order to administer such Additional Collateral and/or Substitute Cash Collateral (as applicable) in such manner as may from time to time be specified by the Fund.

4. CREDIT SUPPORT OBLIGATIONS

Floating Charge Deed Delivery Amount

4.1 On the date of this Floating Charge Deed, the Chargor shall transfer GBP 1 (one Pound Sterling) to the Joint Instruction Accounts. Subject to Clauses 5 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and 6 (*Dispute Resolution*), upon a demand made

by the Issued Party on a monthly basis, or a Valuation Date, if the Issued Charge Then Delivery Amount equals or exceeds GBP 10,000, then the Chargee will transfer to the Issued Institution Account the Issued Charge Then Delivery Amount (rounded pursuant to Clause 4.3 (Rounding)). The Floating Charge Debt Delivery Amount applicable to the Charge for any Valuation Date will equal the amount by which:

- (a) the Aggregate Floating Charge Unpaid Amount

exceeds

- (b) the Value as of the Valuation Date of all Additional Collateral (such as the credit of the Issued Institution Account (as adjusted to include any prior Floating Charge Debt Delivery Amount) and to exclude any prior Floating Charge Debt Return Amount), the transfer of which, in other cases, has not yet been completed and for which the Issued Institution Day to Day Account has not yet been credited.

Floating Charge Debt Return Amount

12 Subject to Clause 5 (Cashflow Proceeds, Proceeds, Collateral and Subrogation) and 6 (Charge Amendment), it is agreed it shall be made by the Chargee on or receipt of the Issued Valuation Date, if the Floating Charge Debt Return Amount for the Valuation Date equals or exceeds GBP 10,000, then the Issued Party will, prior to 1.00 millionths from and following a Credit Transfer Event and, in the absence of such, agree to transfer to the Chargee from the Issued Institution Account an amount specified by the Chargee in Additional Collateral provided by the Chargee in that respect having a Value of the sum of pounds as shown in production to the applicable Floating Charge Debt Return Amount (rounded pursuant to Clause 4.3 (Rounding)). The Floating Charge Debt Return Amount applicable to the Issued Party for any Valuation Date will equal the amount by which:

- (a) the Value as of the Valuation Date of all Additional Collateral (such as the credit of the Issued Institution Account) and adjusted to include any prior Floating Charge Debt Delivery Amount and to exclude any prior Floating Charge Debt Return Amount, the transfer of which, in other cases, has not yet been completed and for which the Issued Institution Day to Day Account has not yet been credited;

exceeds

- (b) the Aggregate Floating Charge Return Amount.

Rounding

4.1 The Floating Charge Debt Delivery Amount and the Floating Charge Debt Return Amount will be rounded up or down to the nearest integral multiple of GBP 10,000, respectively.

Additional Collateral and Subrogation (See Clause 6) subject to clause 5 or 6

4.4 Any property or amount, in respect of which the Issued Party has exercised its right of set-off or retention, which remains standing to the credit of any Issued Institution Account, shall no longer be or funding to the credit of the Issued Institution Account.

the case of Clause 6.1 (*Delayed Deliveries and Penalties*), following the date of publication.

6.4 The Charge will satisfy the Second Party's provision that the Additional Collateral Valuation Agent settles the Revised Price of all publications which it has received from the Additional Collateral Valuation Agent under clause 7.3 within three local business days of receipt of such publications.

Submissions

6.5 The Charge will, so any Local Business Day by 10:00 (a *Submission Deadline*) before the Second Party has a chance to exercise its John Innes-Lee Award Eligible Collateral (the *Submission Deadline*) provided in the Publication Notice or submission for various Additional Collateral (the *Original Proposed Collateral*) specified in the Submission Notice accepted in the Award and Collateral, provided that the Submission Collateral is at least equal to the value of value of the Original Proposed Collateral.

6.6 If the Revised Price divided by the specified threshold price does not result in an integer, then the Revised Price will be rounded up to the next integer. In addition to any transfer of Additional Collateral or Submission Collateral in the four Instruction Accounts, it shall retain the right to value its own and others as Eligible Collateral in relation to any future transfer of Additional Collateral or Submission Collateral in the four Instruction Accounts.

6.7 From time to time, the Charge will, if the Charge is given notice in the Second Party that it wishes to withdraw, Eligible Collateral (as the Charge will transfer the John Innes-Lee Award to the four Instruction Accounts on the first Settlement Day following the date on which it delivers its Submission Notice which may be set, in advance, by the Charge) and the Value as of that Settlement Day of all Additional Collateral held by the Charge in the four Instruction Accounts (the *Aggregate Existing Charge Delivery Amount*) (as adjusted to include any prior Existing Charge Delivery Amount and to exclude any prior Existing Charge Delivery Amount) (the number of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after each Settlement Day) and (ii) subject to (i) no Release of Debt having occurred and continuing with respect to the Charge and (ii) the Value as of that Settlement Day of all Additional Collateral held by the Charge in the four Instruction Accounts (excluding the Aggregate Existing Charge Delivery Amount) (as adjusted to include any prior Existing Charge Delivery Amount and to exclude any prior Existing Charge Delivery Amount) (the number of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after each Settlement Day), the Charge will be obliged to transfer to the Charge the Original provided Collateral, not later than the Settlement Day following the date on which the Charge receives the Submission Collateral (the *Submission Deadline*), provided that the Charge will only be obliged to provide Original Proposed Collateral with a value as of the date of receipt at least as great as the Value as of that Settlement Day of the Value as of the date of receipt of the Original Collateral in that case.

6.8 Following a Repurchase of the Charge, if the Second Party notifies the Charge that it has suspended such program to be given to the absolute discretion of the Second Party, the Charge will be obliged to transfer the Submission Collateral to the four Instruction Accounts on the first Settlement Day following the date on which it receives notice (which may be set, in advance, by the Second Party) of its suspension such that the Value as of that Settlement Day of all Additional Collateral held by the Charge in the four Instruction Accounts (excluding the Aggregate Existing Charge Delivery Amount) (as adjusted to include any prior Existing Charge Delivery Amount and to

include any prior Financing Charge Credit From Amount, the number of which, in either case, has not yet been suggested and for which the relevant Settlement Day falls on or after such Settlement Day; and (ii) subject to (i), on the next Trading Day following occurrence and continuing with respect to the Charge and (ii) the Value as of the Settlement Day of all Additional Collateral held by the Custodian in the Loan Transaction Accounts exceeding the Applicable Financing Charge With-Low Amount (as adjusted to include any prior Financing Charge Credit Excess Amount) to include any prior existing Unsettled From Future Amount, the number of which, in either case, has not yet been suggested and for which the relevant Settlement Day falls on or after such Settlement Day; the Custodian will be obliged to transfer to the Lender the Original Provided Collateral not later than the Settlement Day following the time on which the Custodian receives the Custodian Collateral (the Satisfaction Date), provided that the Custodian will not be obliged to transfer Original Provided Collateral with a Value as of the date of transfer as high as possible to, but in any event not more than, the Value of the Custodian Collateral as of the date.

6. MISCELLANEOUS

Disputed Calculations or Valuations

6.1 If a Party to Disputing Party's reasonably disputes (i) the Additional Collateral Valuation Agent's calculation of a Financing Charge Credit Excess Amount or a Financing Charge Credit From Amount or (ii) the Value of any item as of Additional Collateral Date,

(a) the Disputing Party will notify the other Party and the Additional Collateral Valuation Agent of the Additional Collateral Valuation Agent in not the other Party) and also give the other Party and the Additional Collateral Valuation Agent notice of the date that the demand or request for the item has been received under clause 3.4(c) (Credit Support Obligations) or the date of the demand, the date of transfer;

(b) in the case of (i) above, the appropriate Party will transfer the undemanded amount to the other Party not later than the date of transfer on the Settlement Day following the date that the demand or request for the item has been received under clause 3.4(c) (Credit Support Obligations);

(c) the parties will consult with each other in an attempt to resolve the dispute; and

(d) if they fail to resolve the dispute by the Resolution Date, then the Additional Collateral Valuation Agent will recalculate the Value as of the date of transfer as follows:

(i) the Value of each will be the last announced price; and

(ii) with respect to securities, the sum of (i) (a) the aggregate value of the high bid and low asked prices quoted as such on the day of the dispute (whether or not provided) shown by the Disputing Party, or (ii) if no quotation at all is submitted from a potential counterparty on such date, the arithmetic mean of such high bid and low asked prices as of the day of the dispute prevailing over data on which such quotations were available, plus (b) the second highest or third highest (as the case may be) of the values as reflected in a Party provided in any applicable provision of the Loan or included in the applicable price returned as in (i) of this clause (ii) as of such date.

Party to a resolution pursuant to 8th Clause, the Additional Collateral Valuation Agent will notify each Party for the other Party, if the Additional Collateral Valuation Agent is a Party as soon as possible but in any event no later than the Notification Time on the Local Business Day following the Resolution Time. The appropriate Party will, upon demand following notification by the Additional Collateral Valuation Agent, a resolution provided to, for above and subject to, Clauses 5.1 (Corporate Resolution) and 5.2 (Transfer), make the appropriate transfer.

Not a Member and Agent

5.1 The Agent by a Party to make a transfer of any interest which is the subject of a dispute is subject to Clause 6.1 (Segregated Contributions and Contributions) applies will and constitutes a Relevant Event under Clause 6 (Default) for as long as the proceedings set out in Clause 6 (Default Resolution) are being carried out for the purposes of dealing upon completion of those proceedings. Clause 8 (Default) will apply to any failure by a Party to make a transfer required under the final sentence of Clause 6.1 (Segregated Contributions and Contributions) on the relevant due date.

Interaction with the RABF

5.2 The Parties agree to use their reasonable efforts:

- (a) to make submissions and applications in a case which is required to change the arrangements proposed for under the Floating Charge Trust; and
- (b) to agree for decisions or similar orders to be removed expeditiously.

5.3 Standing Arrangements Underwritten and Secured under Clause 6 (Default)

Care of Additional Collateral

5.4 The Chargee and the Underwriter on its behalf will each, separately take it upon the care custody of all Additional Collateral and Subordinate Cash Collateral. The Chargee and the Underwriter on its behalf shall, without limitation, deliver any documents or evidence or proceed accordingly pursuant to Additional Collateral and Subordinate Cash Collateral.

Eligibility to Hold Additional Collateral and Subordinate Cash Collateral, Contributions

5.5 (Amend) The Chargee has appointed HSBC as the bank, to act as Underwriter on its behalf Underwriter to hold Additional Collateral and Subordinate Cash Collateral. The Chargee's obligation to make any transfer pursuant to Clause 6.1 (Default Resolution Obligations) will be discharged by making the transfer to the Joint Escrowed Account in the Underwriter.

5.6 (Amend) The Chargee will be liable for the acts or omissions of its Underwriter to the same extent as the Chargee would be liable under the Floating Charge Trust for its own acts or omissions.

Segregated Accounts

5.7 The Chargee shall cause the Underwriter to open and maintain one or more segregated bank institution Escrow Accounts, as appropriate, in which to hold Additional Collateral other than Additional Collateral in the form of cash under this Floating Charge Trust. The Chargee and any Underwriter shall each hold, record and/or identify in the relevant bank

Instruction Custody Accounts all Additional Collateral (other than Additional Collateral in the form of cash) held in relation to the Floating Charge Deed, and, except as provided otherwise herein, such Additional Collateral shall at all times be and remain segregated from the property of the Chargor and the relevant Custodian, as the case may be, and shall at no time be commingled with the property of, the Chargor or such Custodian. Additional Collateral in the form of cash and Substitute Cash Collateral shall be credited to the Joint Instruction Cash Account of the Chargor with the Custodian.

No Use of Additional Collateral or Substitute Cash Collateral

7.5 *For the avoidance of doubt, and without limiting the rights of the Chargor or the Custodian under the other provisions of this Floating Charge Deed, the Chargor and the Custodian will not have the right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Additional Collateral or Substitute Cash Collateral.*

Rights Accompanying Additional Collateral

7.6 *Voting Rights: Unless and until a Relevant Event occurs the Chargor shall be entitled to exercise, or to direct the Custodian to exercise, any voting rights attached to any of the Additional Collateral (but only in a manner consistent with the terms of this Floating Charge Deed and the RAPD, as applicable).*

7.7 *Exercise by Secured Party: At any time on or after the occurrence of a Relevant Event and without any further consent or authority on the part of the Chargor the Secured Party may exercise at its discretion (in the name of the Chargor, the Custodian or otherwise) in respect of any of the Additional Collateral any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Additional Collateral is registered or who is the holder or bearer of them including (but without limitation) all the powers given to trustees by sections 10(3) and (4) of the Trustee Act 1925 (as amended by section 9 of the Trustee Investments Act 1961) in respect of securities or property subject to a trust. If the Secured Party exercises any such rights or powers, it will give notice of the same to the Chargor as soon as practicable.*

Calls and Other Obligations

7.8 *Payment of Calls: The Chargor will pay all calls or other payments which may become due in respect of any of the Additional Collateral and if it fails to do so the Secured Party may elect to make such payments (including by payment to the Custodian for the Custodian to make such payment) on behalf of the Chargor. Any sums so paid by the Secured Party shall be repayable by the Chargor to the Secured Party on demand together with interest at the Default Rate from the date of such payment by the Secured Party and pending such repayment shall form part of the Obligations.*

7.9 *Requests for Information: The Chargor shall promptly copy to the Secured Party and comply with all requests for information which is within its knowledge and which are made under sections 793, 820, 821, 822, 823, 824 and 825 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of the Additional Collateral and if it fails to do so the Secured Party may elect to provide such information as it may have on behalf of the Chargor.*

7.10 *Continuing Liability of Chargor: The Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of the Additional Collateral.*

7.11 *No Liability of Secured Party:* The Secured Party shall not be required to perform or fulfill any obligation of the Chargor in respect of the Additional Collateral or to make any payment in respect of the Additional Collateral, or to make any enquiry as to the nature or sufficiency of any payment received by the Custodian or the Chargor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Floating Charge Deed at any time.

Distributions and Interest

7.12 *Distributions:* The Chargor and/or the Custodian shall pay any Distributions it receives in cash into the Joint Instruction Cash Account or in securities credit such securities to the Joint Instruction Custody Account.

7.13 *Interest:* With respect to Additional Collateral in the form of cash and Substitute Cash Collateral, any Interest shall be credited to the Joint Instruction Cash Account.

7.14 Any Distributions or Interest credited to the Joint Instruction Accounts will constitute Additional Collateral and/or Substitute Cash Collateral (as applicable) and will be subject to the security interest granted under Clause 2.2 (Security) or otherwise will be subject to the set-off provided in Clause 9.1(b) (Secured Party's Rights).

Joint Instruction Accounts opened

7.15 The RMPPF Trustee confirms that each of the following accounts has been opened in its name with the Custodian:

- (a) the Joint Instruction Cash Account; and
- (b) the Joint Instruction Custody Account.

8. DEFAULT

For purposes of this Floating Charge Deed, a *Relevant Event* will have occurred with respect to the Chargor if an Early Termination Date is designated or occurs under the RAPD other than where the Secured Party is the Affected Party in respect of such Relevant Event.

9. RIGHTS OF ENFORCEMENT

Secured Party's Rights

9.1 If at any time a Relevant Event with respect to the Chargor has occurred and is continuing, then, unless the Chargor has paid in full all of its Obligations that are then or may become due and payable,

- (a) the Secured Party shall following prior written notice to the Chargor, be entitled to put into force and to exercise immediately or as and when it may see fit any and every power possessed by the Secured Party by virtue of this Floating Charge Deed or available to a secured creditor and in particular (but without limitation) the Secured Party shall have power in respect of Additional Collateral other than in the form of cash:
 - (i) to sell, and/or to instruct the Custodian to sell, all or any of the Additional Collateral in any manner permitted by law upon such terms as the Secured Party shall in its absolute discretion determine; and/or

- (ii) to defend, answer or compromise, either as insured or as third party, any or all claims, damages or compensation and to give a good discharge for any amounts payable to the Chargee or its Obligations in respect of any of the Additional Undertaken Undertakings;
- (iii) to apply or for the full or partial payment to itself appropriate, independent of the Chargee or to transfer to it in application or to the third party payment by itself appropriate of the Additional Undertaken Undertakings or proceeds or capital thereof; or to provide the payment or discharge of any amounts payable by the Chargee with respect to any Obligations in such order as the Secured Party may direct;
- (iv) the Secured Party may in respect of Additional Undertaken Undertakings in the form of cash and sufficient cash collateral immediately or at any subsequent time without prior notice to the Chargee;
- (v) apply or for the full or partial payment by itself appropriate, either as third party or as third party to itself in application or for the full or partial payment by itself appropriate of the Additional Undertaken Undertakings or proceeds or capital thereof; or to provide the payment or discharge of any amounts payable by the Chargee with respect to any Obligations in such order as the Secured Party may direct;
- (vi) set off all or any part of any amounts payable by the Chargee with respect to any Obligations against any obligations of the Secured Party to repay any amount to the Chargee in respect of the Additional Undertaken Undertakings or proceeds or capital thereof;
- (vii) debit any bank for overdraft cash advances of the Chargee, with the Secured Party or any of its officers or agents (as holding an account opened specially for that purpose) with all or any part of any amounts payable by the Chargee with respect to any Obligations from time to time;

and for the purposes of this Clause 2 (ii) (iv) (v) (vi) (vii) the Secured Party shall be entitled:

- (i) to make any necessary arrangements to effect any transaction or transactions which it thinks fit, and to act as an agent under and in pursuance of the same;
- (ii) to assign any interest in, or carry on, any of the Chargee's accounts with the Secured Party as a third party agent;
- (iii) otherwise direct the Chargee to deal with the Additional Undertaken Undertakings or proceeds or capital thereof or to amount owing by to the Secured Party or proceeds of debt, whether or not comprising an interest therein, in respect of such Additional Undertaken Undertakings or proceeds or capital thereof or to provide payment or discharge of any amounts payable by the Chargee with respect to any Obligations in such order as the Secured Party may direct.

Power of Attorney

9.1 The Changer hereby irrevocably and solely for the purposes of these bills, granting the performance of the Obligations, with effect from the occurrence of a Refractory Event while the Cheque is in the Added Part, in respect of each holder from whom we may directly approach the Secured Party or the assignee of the Cheque on its behalf and in the name of the Changer or the Secured Party the necessary and binding authority to do all acts which the Changer may be obliged to perform under payment or in connection with the Floating Charge Deed but has not performed, and exercise all powers which the Assignee could exercise, should it be so empowered, in relation to any of the Additional Collateral or in connection with any of the assets provided for in the Floating Charge Deed, including (but without limitation):

- (a) to execute any transfer, bill of sale or other instrument in respect of the Additional Collateral under the Subordinate Cash Collateral;
- (b) to exercise all the rights and powers of the Assignee in respect of the Additional Collateral under the Subordinate Cash Collateral;
- (c) to seek, require, demand, receive, assign and give a good discharge for any and all moneys and claims for moneys due and to become due under or arising out of any of the Additional Collateral under the Subordinate Cash Collateral;
- (d) to enforce any Cheque or other instrument or assign or compromise with any of the Additional Collateral under the Subordinate Cash Collateral;
- (e) to make any claim or to take any action or to initiate any proceedings which the Secured Party considers to be necessary or advisable to protect or enforce the property interest created by the Floating Charge Deed; and
- (f) to direct the Custodian with respect to the Additional Collateral under the Subordinate Cash Collateral (including with respect to any of the Assignments).

Recovery of Payment

9.2 No purchaser or other person dealing with the Secured Party or with its assignee or agent shall be concerned to enquire (i) whether any power created or purported to be exercised by the Secured Party has been exercised, (2) whether any Obligation remains due, (3) as to the propriety or regularity of any of the actions of the Secured Party or (4) as to the application of any money paid in the Name of Party.

9.3 In the absence of bad faith on the part of such purchaser or other person, such discharge shall not extend to the extent of the rights and powers of such purchaser or other person, as to which the powers conferred by the Floating Charge Deed are to be valid as a discharge. The remedy of the Changer in respect of any assignment, or irregularity which is in the nature of such power, shall be a damages only.

Waiver and Release Provisions

9.4 To the extent it has received the same, the Secured Party will surrender to the Changer (or its assignee) and Additional Collateral and Subordinate Cash Collateral (including after liquidation, severance, appointment, appointment, or other enforcement under Clause 9.1 (Secured Party's Rights) and after which, however, all of its interests payable by the Changer with respect to any Obligations, the Cheque or all assets with respect to any of the assets

Remuneration and Expenses

11.5(a) **Remuneration:** The remuneration of the Receiver shall be fixed by the General Meeting upon recommendation, but shall be payable hereunder to the Chargee Bank. The annual official remuneration shall be paid in arrears, both the sums and conditions and in the manner agreed from time to time between the Receiver and the Chargee Bank and shall form part of the Obligations.

11.5(b) **Expenses:** In addition to the remuneration of the Receiver, the Chargee Bank shall pay or reimburse all reasonable costs, charges and expenses, including legal and travelling expenses and insurance premiums which the Receiver properly incurs in or in connection with:

(i) the exercise of its principal duties, or the consideration or taking of advice as to the exercise by or on behalf of the Receiver of any of the powers of the Receiver;

(ii) the collection, preservation or attempted preservation of the Debt for any of the charges contained in or granted pursuant to it or any of the Additional Collateral under the Facility Agreement contained in any other agreement taken on any behalf of the Receiver with any person in connection with the exercise by the Receiver of the Obligations from the Chargee or any other person;

(iii) the carrying out of any other act or matter which the Receiver may consider to be necessary for the preservation, improvement or benefit of the Additional Collateral under the Facility Agreement; and

(iv) all meeting costs, third and the RABF under the Facility Agreement.

Liability of Receiver

11.6 The Chargee shall indemnify and keep indemnified the Receiver in full against any indemnified loss, liability or damage suffered or incurred by reason of the Receiver's negligence or default in respect of:

(i) the performance by the Receiver of its obligations under this Floating Charge Deed or any documents or arrangements entered into between the Chargee and such Receiver;

(ii) anything done or purported to be done by the Receiver under this Floating Charge Deed, or the other documents referred to in Clause 1.1.4(a) (Indemnity of Receiver) or anything intended or purported to be done by the Receiver, its agents and

(iii) the exercise or attempted exercise by or on behalf of the Receiver of any of the powers, discretions or authorities under any other contract entered into by the Receiver with a third party or in connection with anything on behalf of the Chargee Bank, its agents and the Floating Charge Deed.

Receiver's Powers

11.7 The Receiver, in addition to any powers conferred on it by substatutory enactments, whether enacted or revived and wherever by statute or otherwise law (including, without limitation, the provisions of the Insolvency Act 1986, regardless of whether the Receiver is an administrative receiver), shall have the following powers in addition to conferred by the

provisions of the Funding Charge Deed (in the name or on behalf of the Chargee or as his authorised agent, in each case, with the consent of the Chargee):

- (a) Power of Additional Collateral and Subordinate Cash Collateral: to take immediate possession of, get in and sell the Additional Collateral under the Subordinate Cash Collateral for each part thereof in respect of which he may be required to pay or pay or intend to pay (including interest whether accrued before or after the date of his appointment);
- (b) Disposal of Additional Collateral and Subordinate Cash Collateral: to sell, exchange, transfer, surrender, release, give up, discharge, return or otherwise dispose of or in any way relinquish or deal with the Additional Collateral, the Subordinate Cash Collateral or any interest in the Additional Collateral under the Subordinate Cash Collateral or any part thereof for such consideration (if any) and upon such terms (including by deferred payment or payment by instalments as he may consider appropriate) as he may in any such instance see fit;
- (c) Borrowing to pay expenses: to borrow or contract with for payment of the proposed charges of any of his powers or in order to obtain payment of his expenses (whether or not it is strictly payable), to borrow or contract with for any amount without liability or on the security of any of the Additional Collateral under the Subordinate Cash Collateral and generally in such manner and on such terms as he may consider appropriate;
- (d) Compensation to be paid: to settle, adjust, enter in compromise, abandon, discharge and release any claims, demands, disputes, questions and demands which or by any person who is or claims to be a third party or claimant in any way in the Additional Collateral under the Subordinate Cash Collateral, or against himself;
- (e) Legal advice: to bring, procure, receive, defend and abandon any action, suit and proceedings concerning the Additional Collateral under the Subordinate Cash Collateral or as part of them in any court or tribunal he requires;
- (f) Waiver: to give valid receipt for all moneys and claims all securities and things which may be proper or desirable for realising the Additional Collateral under the Subordinate Cash Collateral;
- (g) Transfer of Additional Collateral and Subordinate Cash Collateral: to transfer all or any of the Additional Collateral under the Subordinate Cash Collateral;
- (h) Release of Security Interest: to release, discharge or compromise any Security Interest from time to time having priority in or ranking more than with the Funding Charge Deed;
- (i) Action on behalf of the Chargee: in connection with the exercise of any of his powers to execute or do or cause or induce to be executed or done on behalf of or in the name of the Chargee or otherwise, or he may consider appropriate, all documents, receipts, repudiations and or things which he may consider appropriate or which may be required of the Additional Collateral under the Subordinate Cash Collateral only;
- (j) Executive powers in relation to Additional Collateral and Subordinate Cash Collateral: to exercise any power, discretion, notice, convention or other right or entitlement in relation to any of the Additional Collateral under the Subordinate Cash

The Fund

Address:

For the attention of:
the directors of the Fund
copied to

Department for Business, Innovation
and Skills,
1 Victoria Street,
London,
SW1H 0ET

Andrew Maggs

Alex Reeves

Will Holyoak

RMPP Trustee

Address:

For the attention of:
Peter Metcalfe
(Head of Finance)

11 Ironmonger Lane,
London,
England,
EC2V 8EY

Ian McKnight

(Head of Investment)

20. VARIATION

20.1 No variation of this Floating Charge Deed shall be valid unless it is in writing and signed by or on behalf of each of the Parties to it. The expression *variation* shall include any variation, supplement, deletion or replacement however effected. No waiver of the Floating Charge Deed shall be valid unless it is in writing and signed by the Party giving such waiver.

20.2 Unless expressly agreed, no variation shall constitute a general waiver of any provisions of this Floating Charge Deed, nor shall it affect any rights, obligations or liabilities under or pursuant to this Floating Charge Deed which have already accrued up to the date of variation, and the rights and obligations of the Parties under or pursuant to this Floating Charge Deed shall remain in full force and effect, except and only to the extent that they are so varied.

21. ASSIGNMENT

21.1 The Secured Party may, without the consent of the Chargor, assign its rights and obligations under this Floating Charge Deed to a third party public body Provided That such third party public body shall be:

- (a) a Minister of the Crown under an Order under the Ministers of the Crown Act 1975 (a *Minister*); or

- (D) in unity with third personality which is directly or indirectly named by a defendant and which itself has the legal capacity, power and authority to observe and perform the obligations of the Secured Party under the Floating Charge Deed.

In such case, Defendant Verifies that the Secured party must satisfy the charges on or before 14 days prior to any such Enforcement action after

Other than as set out in the clause Verifies Enforcement action is taken, the Secured Party will not assign, sell, give away, mortgage, or otherwise dispose of its rights and obligations under this Floating Charge Deed to a third party without the prior written consent of the Charger, such consent not to be unreasonably withheld or delayed. It shall be deemed to be unreasonable for the Charger to withhold its consent where

- (a) the relevant third party agrees to assume the same or less favourable to the Charger than is set out in this Floating Charge Deed; and is capable of assuming the Secured Party's obligations under the Floating Charge Deed; and

- (b) the Secured Party has assigned its claim and transferred its execution of rights and obligations under the KAPL to such relevant third party in accordance with the KAPL.

2.2 The Charger may not assign, mortgage, charge or otherwise deal with all or any of its rights under this Floating Charge Deed nor may it grant, declare, create or dispose of any right or interest in it which the principal is a consent of the Secured Party.

23. SUPPLEMENTARY

If any provision of this Floating Charge Deed is held to be null and void in whole or in part or is illegal, unenforceable, invalid or unenforceable, then such provision shall not be null and voided or unenforceable but shall have effect and shall be deemed not to be included in this Floating Charge Deed but without invalidating any of the remaining provisions of this Floating Charge Deed. The Parties shall then use their reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable instrument pursuant to the effect of which it is closest possible to the intended effect of the invalid or unenforceable provision.

24. NO REPRESENTED CONTRACTS SUBJECT TO TRANSFER ACT 1997

A person who is not a Party to this Floating Charge Deed shall have no right under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.

25. ENTIRE AGREEMENT

25.1 This Floating Charge Deed sets out the whole agreement between the Parties in respect of the subject matter and includes any prior agreement (written or oral or without reliance on an independent)

25.2 This clause 25 (Entire Agreement) shall not include any liability for, or liability in respect of, fraud or fraudulent misrepresentation.

26. COPIES/AMENDS

This Floating Charge Deed may be executed in any number of counterparts and by the Parties in two or more counterparts, each of which is an original but all of which together constitute one and the same instrument.

26. GOVERNING LAW AND JURISDICTION

26.1 This Floating Charge Deed shall be governed by, and interpreted in accordance with, English law. Any matter, claim or dispute arising out of or in connection with this Floating Charge Deed, whether contractual or non-contractual is to be governed by and determined in accordance with English law.

26.2 Except as expressly provided otherwise in this Floating Charge Deed, the courts of England are to have exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of or in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by, this Floating Charge Deed or otherwise arising in connection with this Floating Charge Deed, and for such purposes each Party irrevocably submits to the jurisdiction of the English courts.

IN WITNESS of which this Floating Charge Deed has been executed as a DEED and has been delivered on the date first above written.

EXECUTED AS A DEED BY

SECURED PARTY

BIS (POSTAL SERVICES ACT 2011)
COMPANY LIMITED
acting by a director
in the presence of

)
)
)
)
)

Director

Witness

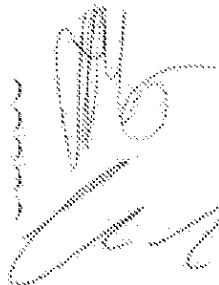
Name:

Address:

Occupation:

CHARGOR

ROYAL MAIL PENSIONS
TRUSTEES LIMITED
acting by two directors
/a director
and secretary



Director

Director/Secretary

SCHEDULE 1

To: JPMorgan Chase Bank, N.A. London Branch (the *Custodian*)
125 London Wall
London EC2Y 5AJ

Dear Sirs

**Floating Charge Deed dated _____ 2014 (the *Floating Charge*) between
BIS (Postal Services Act 2011) Company Limited (the *Fund*) and the Royal Mail
Pensions Trustees Limited (the *Trustee*)**

This letter constitutes notice to you that under the Floating Charge Deed the Trustee has granted a floating charge by way of security in favour of the Fund over all of its right, title, interest and benefit present and future, in, to and under the accounts numbered:

Custody Account	ABY82
Cash Account	AFC70

(the *Joint Instruction Accounts*) and all of the property and cash in those accounts, including all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of, or in substitution therefor, the proceeds of sale, repayment and redemption thereof and any interest accrued and other moneys received in respect thereof. The Trustee also gives you notice that it has assigned by way of security under the Floating Charge Deed its rights in respect of the custody agreement dated 1 May 2013 between the Trustee in its capacity as the trustee of the Royal Mail Pension Plan and you, the Custodian (the *Custody Agreement*).

We, the Trustee and the Fund, confirm and undertake that:

- (a) the only duties of the Custodian, as custodian, has in relation to the Joint Instruction Accounts are as contained in the Custody Agreement;
- (b) the Trustee will remain liable under the Custody Agreement to perform all the obligations assumed by the Trustee under the Custody Agreement;
- (c) the Fund will be jointly and severally liable with the Trustee in relation to all obligations assumed by the Trustee in respect of fees and reasonable out-of-pocket or incidental expenses under clause 4.1 of the Custody Agreement;
- (d) the Fund will indemnify the Bank Indemnities (as defined in the Custody Agreement) against, and hold each of them harmless from, any liability that may be imposed on, incurred by or asserted against the Bank Indemnities as a result of any Instruction (as defined in the Custody Agreement) jointly authorised by the Fund, up to the value of any fees and reasonable out-of-

pocket or incidental expenses incurred by the Trustee under the Custody Agreement; and

- (e) neither the Fund nor the Trustee will hold you responsible for monitoring any enforcement events in relation to the Floating Charge.

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

Please acknowledge the receipt of this letter by sending the attached acknowledgment to the Trustee and the Fund at the specified addresses.

Yours faithfully

.....
Print name

.....
Signature

.....
Print name

.....
Signature

For and on behalf of BIS (POSTAL SERVICES ACT 2011) COMPANY LIMITED

.....
Print name

.....
Signature

.....
Print name

.....
Signature

To: Royal Mail Pensions Trustees Limited
11 Ironmonger Lane,
London, EC2V 8EY

BIS (Postal Services Act 2011) Company Limited
Masters House
107 Hammersmith Road
London, W14 0QH

..... 2014

Dear Sirs

Acknowledgment

We confirm receipt from you, Royal Mail Pensions Trustees Limited (the *Trustee*) and BIS (Postal Services Act 2011) Company Limited (the *Fund*), of a notice dated 2014 on the terms of the Floating Charge Deed dated 2014 (the *Floating Charge Deed*) between the Fund and the Trustee of a grant of a floating charge by way of security over the accounts numbered:

Custody Account	ABY82
Cash Accounts	AFC70

and the assignment of all of the Trustee's rights in respect of the custody agreement entered into between us and the Trustee dated 1 May 2013 (the *Custody Agreement*). We hereby give our permission to the creation of such floating charge and the assignment of the rights under the Custody Agreement.

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

Yours faithfully

For and on behalf of JPMORGAN CHASE BANK, N.A. LONDON BRANCH

.....
Print name

.....
Signature

29 May 2014

ROYAL MAIL PENSIONS TRUSTEES LIMITED
(as *Chargor*)

AND

BRIDGEMAN SERVICES & IT 1911 COMPANY LIMITED
(as *Secured Party*)

**FLOATING CHARGE DEED SECURING
OBLIGATIONS OF THE RMPP TRUSTEE UNDER
THE REFERENCE ASSET PAYMENTS
AGREEMENT**

CERTIFIED A TRUE AND COMPLETE COPY
OF THE ORIGINAL

Freshfields Bruckhaus Deringer LLP
FRESHFIELDS BRUCKHAUS DERINGER LLP
65 FLEET STREET
LONDON
EC4Y 1HS



Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer LLP

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THIS FLOATING CHARGE DEED is made on 29 May 2014

BETWEEN:

- (1) HIS (POSTAL SERVICES ACT 2011) COMPANY LIMITED (registered number 7941521) whose registered office is Masters House, 107 Hammersmith Road, London, W14 0QH (the *Fund or the Secured Party*); and
- (2) ROYAL MAIL PENSIONS TRUSTEES LIMITED (registered number 3248664), whose registered office is 11 Ironmonger Lane, London, England, EC2V 8EY (the *RMPP Trustee or the Charger*),

each a *Party* and together the *Parties*.

WHEREAS

- (A) The RMPP Trustee is the trustee of the Royal Mail Pension Plan (the *RMPP*).
- (B) The Fund and the RMPP Trustee entered into on 29 May 2014 the reference asset payments deed (the *RAPD*).
- (C) The RMPP Trustee has agreed to grant a floating charge by way of security over all its right, title, benefit and interest in the Additional Collateral and the Substitute Cash Collateral (as defined in the RAPD) as security for its obligations under the RAPD.

IT IS AGREED

1. INTERPRETATION AND DEFINITIONS

Definitions

1.1 Unless otherwise defined in this Floating Charge Deed, capitalised terms defined in the RAPD or the Asset Transfer Order shall have the same meaning in this Floating Charge Deed. In this Floating Charge Deed the following expressions shall, except where the context otherwise requires or where otherwise defined herein, have the following meaning:

Aggregate Floating Charge Delivery Amount means 250% of an amount equal to the value of the Reference Asset as set out in the most recent Reference Asset Accounts less the aggregate value of:

- (a) the Properties, as determined by the Property Valuation Agent; and
- (b) the Substitute Collateral (if any);

Aggregate Floating Charge Return Amount means 300% of an amount equal to the value of the Reference Asset as set out in the most recent Reference Asset Accounts less the aggregate value of:

- (a) the Properties, as determined by the Property Valuation Agent; and
- (b) the Substitute Collateral (if any);

Assigned Rights means all rights relating to the Additional Collateral and the Substitute Cash Collateral which the Charger may have now or in the future against the Custodian or any third

party, including without limitation, any right to delivery or a liability of the appropriate description which arises in connection with (a) any Additional Collateral under any instrument (whether collateral being provided to a relevant system or (b) any delivery or (c) any interest in or to any Additional Collateral under any Settlement Class Collateral being acquired while the Collateral is in a relevant system or held through a relevant intermediary.

Charged Property means the whole or any legal title, benefit and interest of the Chargee in the property, assets and rights of the Chargee charged by or pursuant to Clause 7.2 (Security) of the Charging Charge Deed.

Class of Securities means a pool (including:

Representative Assets means any of the assets/interests set out in Clauses 3.1 and 3.2 to be administered.

Default Date means a date for payment agreed in the last Collateral given in connection of any actual word in the relevant party set out in 4) If it seems to have or if found by the relevant administrator / payment provider.

Defaulting Party has the meaning specified in Clause 6.1 (Default Collateral or Collateral).

Defaulting Party means, with respect to any Default Collateral comprised in the Additional Collateral other than cash, such item on which a holder of the Default Collateral is entitled to exercise a claim/interest in, it has been or shall become, due, due to a following level business day.

Defaulting Charge Deed Delivery Agreement has the meaning specified in Clause 6.1 (Defaulting Charge Deed Delivery Agreement).

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Defaulting Party means any liability, damages, costs (including, if applicable, costs of funding, loss (whether in contract or out of contract) or expenses (including payments incurred and amounts paid to third parties) including any consequential loss and any loss of profits and any VAT thereon.

Default Settlement Agreement means the Joint Settlement Class Agreement and the Joint Settlement Class Agreement.

Default Settlement Class Agreement means the "Joint Settlement Class Agreement" with all and designated A/C's in the name of the Chargee held with the Custodian and each other cash account in the Custodian may from time to time establish under the Default Agreement.

Default Settlement Class Agreement means the "Joint Settlement Class Agreement" with all and designated A/C's in the name of the Chargee held with the Custodian and each other cash account in the Custodian may from time to time establish under the Default Agreement.

Default Settlement Class Agreement.

- (a) in relation to a transfer of cash or other property (other than securities) under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment;
- (b) in relation to a transfer of securities under this Floating Charge Deed, a day on which the clearance system agreed between the Parties for delivery of the securities is open for the acceptance and execution of settlement instructions or, if delivery of the securities is contemplated by other means, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place(s) agreed between the Parties for this purpose;
- (c) in relation to a valuation under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of business of the Additional Collateral Valuation Agent and in the place(s) agreed between the Parties for this purpose; and
- (d) in relation to any notice or other communication under this Floating Charge Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place specified in the address for notice most recently provided by the recipient;

Loss means any liability, damages, cost (including, if applicable, cost of funds), loss (whether in contract or tort or otherwise) or expense (including legal fees) (and including always any consequential loss and any loss of profit) and any VAT thereon;

Notification Time means Close of Business on a Local Business Day relating to the relevant notice or other communication;

Obligations means, with respect to the Chargor, all present and future obligations of the Chargor arising under the RAPD;

Original Provided Collateral has the meaning specified in Clause 5.5 (*Substitutions*);

Recalculation Date means the Valuation Date that gives rise to the dispute under Clause 6 (*Dispute Resolution*); provided, however, that if a subsequent Valuation Date occurs under Clause 3.4(c) (*Credit Support Obligations*) prior to the resolution of the dispute, then the Recalculation Date means the most recent Valuation Date under Clause 3.4(c) (*Credit Support Obligations*);

Receiver means any person (being a licensed insolvency practitioner), who is appointed by the Secured Party to be a receiver or an administrative receiver (as the case may be) of the Additional Collateral and/or the Substitute Cash Collateral to act jointly, or jointly and severally, as the Secured Party shall determine;

Relevant Event has the meaning specified in Clause 8 (*Default*);

Resolution Time means Close of Business on the Local Business Day relating to the relevant notice following the date on which that notice is given that gives rise to a dispute under Clause 6 (*Dispute Resolution*);

Settlement Day means, in relation to a date, (i) with respect to a transfer of cash or other property (other than securities), the next Local Business Day and (ii) with respect to a transfer

of securities, the first Local Business Day after such date on which settlement of a trade in the relevant securities, if effected on such date, would have been settled in accordance with customary practice when settling through the clearance system agreed between the parties for delivery of such securities or, otherwise, on the market in which such securities are principally traded (or, in either case, if there is no such customary practice, on the first Local Business Day after such date on which it is reasonably practicable to deliver such securities);

Substitute Collateral has the meaning specified in Clause 5.3 (*Substitutions*);

Substitution Date has the meaning specified in Clause 5.7 (*Substitutions*);

Substitution Notice has the meaning specified in Clause 5.5 (*Substitutions*); and

Valuation Time means the Close of Business in the place of business of the Additional Collateral Valuation Agent on the Valuation Date or date of calculation, as applicable, provided that the calculations of Value and Aggregate Floating Charge Delivery Amount or Aggregate Floating Charge Return Amount (as applicable) will, as far as practicable, be made as of approximately the same time on the same date.

Interpretation

1.2 Any reference in this Floating Charge Deed to a statutory provision shall include that provision and any regulations made in pursuance thereof as from time to time modified or re-enacted on or after the date of this Floating Charge Deed so far as such modification, re-enactment or replacement applies or is capable of applying to any transactions entered into under or in connection with this Floating Charge Deed.

1.3 The headings in this Floating Charge Deed are inserted for convenience only and shall be ignored in construing this Floating Charge Deed.

1.4 References to *transfer* in this Floating Charge Deed mean, in relation to cash, payment and, in relation to other assets, delivery, assignment or novation.

1.5 Unless the context otherwise requires, words (including words defined in this Floating Charge Deed) denoting the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders, and words importing a person shall include a body corporate or firm and vice versa.

1.6 The words *written* and *in writing* include any means of visible reproduction.

1.7 References to Parties, Clauses or Schedules are to the Parties to, Clauses of or Schedules to this Floating Charge Deed. The Schedules shall form part of this Floating Charge Deed.

1.8 The words *include*, *includes* and *including* shall be construed as if they were followed by the words *without limitation*.

Conflicts between the RAPD and this Floating Charge Deed

1.9 In the event of any inconsistency between this Floating Charge Deed and the provisions of the RAPD, this Floating Charge Deed will prevail.

2. SECURITY

Covenant to Perform

2.1 The Chargor covenants with the Secured Party that it will perform the Obligations in the manner provided in the RAPD and this Floating Charge Deed.

Security

2.2 The Chargor, as security for the performance of the Obligations hereby:

- (a) charges and agrees to charge with full title guarantee, in favour of the Secured Party by way of first floating security all of its right, title, interest and benefit present and future, in to and under the Joint Instruction Cash Account and in and to all Additional Collateral and Substitute Cash Collateral which may now be or hereafter is from time to time standing to the credit of the Joint Instruction Cash Account and each debt represented by these amounts, including all Interest accrued and other moneys received in respect thereof;
- (b) charges and agrees to charge with full title guarantee, in favour of the Secured Party by way of first floating security all of its right, title, interest and benefit present and future, in to and under the Joint Instruction Custody Account and in and to all Additional Collateral and Substitute Cash Collateral which may now be or hereafter is from time to time standing to the credit of the Joint Instruction Custody Account including any other property paid, distributed, accruing or offered at any time on, to or in respect of, or in substitution therefor and the proceeds of sale, repayment and redemption thereof; and
- (c) by way of first floating security, assigns and agrees to assign, with full title guarantee, the Assigned Rights to the Secured Party absolutely.

Notification of Custodian

2.3 The Chargor shall notify the Custodian of the security created by this Floating Charge Deed in the form (or substantially similar form) set out in Schedule 1 (*Form of Notice*) as soon as reasonably practicable after entering into this Floating Charge Deed and use their reasonable endeavours that the Custodian acknowledge receipt of the notice.

Transfers and payments from the Joint Instruction Accounts

2.4 Subject to Clause 2.5 below, no transfer of any or all Charged Property or payment from the Joint Instruction Accounts shall be made unless both the Fund and the Chargor (or the person or persons acting on the Chargor's behalf) have given written instructions by way of facsimile (or such other form of communication as the Fund may consent to) to the Custodian authorising such transfer or payment. The Fund and the Chargor (or a person acting on behalf of the Chargor) shall arrange for each transfer or payment instruction from the Joint Instruction Accounts to be signed by both parties prior to the delivery or transmission to the Custodian. The Fund may withhold its consent to any transfer or payment from the Joint Instruction Accounts in its sole discretion.

2.5 Upon the security created by Clause 2.2 (*Security*) becoming enforceable, the Fund shall be able to give any and all instructions in respect of transfers of any and all assets and payments from the Joint Instruction Accounts without the written instructions or the consent of the Chargor (or a person or persons acting on the Chargor's behalf).

Release of Security

2.6 Upon the transfer by the Custodian, following the consent or at the instruction of the Secured Party, to the Chargor (or as it may direct) of Additional Collateral and/or Substitute Cash Collateral, the security interest granted under this Floating Charge Deed in respect of the Additional Collateral and/or Substitute Cash Collateral (as applicable) so transferred will be deemed to be released immediately, and the Assigned Rights relating to that Additional Collateral and/or Substitute Cash Collateral (as applicable) will be immediately deemed to be re-assigned to the Chargor, in each case without any further action by either Party.

Preservation of Security

2.7 The security constituted by this Floating Charge Deed shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Obligations but shall secure the ultimate balance of the Obligations. The security constituted by this Floating Charge Deed shall be in addition to and shall not be affected by any other security now or subsequently held by the Secured Party for all or any of the Obligations.

Waiver of Defences

2.8 The obligations of the Chargor under this Floating Charge Deed shall not be affected by any act, omission or circumstance which, but for this provision, might operate to release or otherwise exonerate the Chargor from its obligations under this Floating Charge Deed or affect such obligations and whether or not known to the Chargor or the Secured Party:

- (a) any time or indulgence granted to or composition with the Chargor, the Custodian or any other person;
- (b) the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of the RAPD, the Custody Agreement or any rights or remedies against, or any security granted by, the Chargor, the Custodian or any other person;
- (c) any irregularity, invalidity or unenforceability of any obligations of the Chargor under the RAPD, the Custodian under the Custody Agreement to the intent that the Chargor's obligations under this Floating Charge Deed shall remain in full force and this Floating Charge Deed shall be construed accordingly as if there were no such irregularity or unenforceability; or
- (d) any legal limitation, disability, incapacity or other circumstance relating to the Chargor, any guarantor or any other person (including the Custodian) or any amendment to or variation of the terms of the RAPD or any other document or security.

Immediate Recourse

2.9 The Chargor waives any right it may have of first requiring the Secured Party to proceed against or claim payment from any other person or enforce any guarantee or security before enforcing this Floating Charge Deed.

Brinkstorming

2.10 Where any flooding (whether or not of the security envisioned by this Flooding Charge Deal) or other security or maintenance is made in need of or in part or as a consequence to make on the back of any payment, security or other disposition which is needed in any account held pursuant to any such charge or arrangement must be repaid on lay down or otherwise within financial, the security maintained by this Flooding Charge Deal and the history of the CH appropriate this Flooding Charge Deal shall remain, as if such had been no such change or arrangement.

Negative Bridge

2.11 The Charge shall not create a parallel to what is a group where such security interest must be repaid of law or otherwise any security interest (however arising or arising) (a, or) or otherwise the Additional Contract, the Substantive Cash Contract or the Substantive Accounts

3. CHARGE CREATION

3.1.1. CHARGE CREATION

3.1 Without prejudice to Clause 3.2 (Automatic Charge Creation), if at a time or place of the Charge or otherwise and not charged or left in accordance with this Flooding Charge Deal the relevant party may:

- (a) if the Additional Contract, the Substantive Cash Contract or any material non-charge is in danger of being created or not under any form of threat or execution or not or even under a threat or in jeopardy or imperil or
- (b) if any circumstance shall occur or the security provided, impacts or otherwise, the security interest pursuant to Clause 2.7 (Security) or is likely to do so, in the way of the foregoing.

By notice in writing to the Charge, the Charge shall be created in the Charge pursuant to this Clause 3.1 (Charge Creation) upon notice and upon giving the notice the flooding charge created by Clause 3.2 (Security) shall, in the event permitted by law, be crystallised and be converted into a fixed charge as to the Additional Contract and the Substantive Cash Contract.

Automatic Crystallisation

3.2 In addition and without prejudice to Clause 3.1 (Charge Creation) upon notice, the flooding charge created by Clause 3.2 (Security) shall automatically and lawfully be converted into a fixed charge over the Additional Contract and the Substantive Cash Contract.

- (a) if and where an Event occurs with respect to the RRP Time or a Relevant Event occurs;
- (b) if the Charge, whether or not under any security interest in accordance with Clause 3.1 (Negative Bridge) or or over the Additional Contract and/or the Substantive Cash Contract shall be in a fixed charge or

- (c) if any person takes any steps to effect any expropriation, attachment, sequestration, distress or execution affecting the Additional Collateral and/or the Substitute Cash Collateral subject to such floating charge.

De-crystallisation

3.3 The Secured Party may, at any time, by notice in writing to the Chargor de-crystallise the floating charge created by Clause 2.2 (*Security*) which has been converted into a fixed charge pursuant to Clauses 3.1 (*Crystallisation upon notice*) or 3.2 (*Automatic Crystallisation*) as to all of the undertaking, property and assets of the Chargor (or such of them as may be specified in the notice) back into a floating charge.

3.4 The Secured Party shall, at any time, following the written request of the Chargor de-crystallise the floating charge created by Clause 2.2 (*Security*) which has been converted into a fixed charge pursuant to Clauses 3.1 (*Crystallisation upon notice*) or 3.2(c) (*Automatic Crystallisation*) as to all of the undertaking, property and assets of the Chargor (or such of them as may be specified in the notice) back into a floating charge, if the Secured Party is satisfied that:

- (a) following a crystallisation pursuant to Clause 3.1(a) (*Crystallisation upon notice*), the source of the danger of the Additional Collateral and/or the Substitute Cash Collateral being seized or sold under any form of distress or execution levied or threatened or the jeopardy or imperilment is removed;
- (b) following a crystallisation pursuant to Clause 3.1(b) (*Crystallisation upon notice*), the circumstance which caused the crystallisation to occur has ceased; or
- (c) following a crystallisation pursuant to Clause 3.2(c) (*Automatic Crystallisation*), the person who took steps to effect any expropriation, attachment, sequestration, distress or execution affecting the Additional Collateral and/or the Substitute Cash Collateral has ceased to take any further step for that purpose and reversed and/or waived any steps already taken.

Trust with respect to Additional Collateral and/or Substitute Cash Collateral removed from Joint Instructions Accounts

3.5 With effect on and from the date that the floating charge created by Clause 2.2 is crystallised under Clause 3.1 or 3.2, the Chargor hereby acknowledges, declares and agrees that it shall hold as trustee any Additional Collateral and any Substitute Cash Collateral transferred out of the Joint Instruction Accounts without the consent of the Fund, and any interest which accrues on, and income derived from, such Additional Collateral and/or Substitute Cash Collateral (as applicable), absolutely on trust for the benefit of the Fund, and administer such amounts in accordance with this Clause 3.5. The Chargor agrees that it shall take all necessary steps and do everything which the Fund may reasonably request or direct it in writing to do in order to administer such Additional Collateral and/or Substitute Cash Collateral (as applicable) in such manner as may from time to time be specified by the Fund.

4. CREDIT SUPPORT OBLIGATIONS

Floating Charge Deed Delivery Amount

4.1 On the date of this Floating Charge Deed, the Chargor shall transfer GBP 1 (one Pound Sterling) to the Joint Instruction Accounts. Subject to Clauses 5 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and 6 (*Dispute Resolution*), upon a demand made

by the Secured Party on or promptly following a Valuation Date, if the Floating Charge Deed Delivery Amount equals or exceeds GBP 200,000, then the Chargor will transfer to the Joint Instruction Accounts Eligible Collateral having a Value as of the date of transfer at least equal to the applicable Floating Charge Deed Delivery Amount (rounded pursuant to Clause 4.3 (*Rounding*)). The *Floating Charge Deed Delivery Amount* applicable to the Chargor for any Valuation Date will equal the amount by which:

- (a) the Aggregate Floating Charge Delivery Amount

exceeds

- (b) the Value as of that Valuation Date of all Additional Collateral standing to the credit of the Joint Instruction Accounts (as adjusted to include any prior Floating Charge Deed Delivery Amount and to exclude any prior Floating Charge Deed Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date).

Floating Charge Deed Return Amount

4.2 Subject to Clauses 5 (*Conditions Precedent, Transfers, Calculations and Substitutions*) and 6 (*Dispute Resolution*), if a request is made by the Chargor on or promptly following a Valuation Date, if the Floating Charge Deed Return Amount for that Valuation Date equals or exceeds GBP 200,000, then the Secured Party will, prior to a Crystallisation Event and following a Crystallisation Event may, in its absolute discretion, agree to a transfer to the Chargor from the Joint Instruction Accounts to an account specified by the Chargor of Additional Collateral specified by the Chargor in that request having a Value as of the date of transfer as close as practicable to the applicable Floating Charge Deed Return Amount (rounded pursuant to Clause 4.3 (*Rounding*)). The *Floating Charge Deed Return Amount* applicable to the Secured Party for any Valuation Date will equal the amount by which:

- (a) the Value as of that Valuation Date of all Additional Collateral standing to the credit of the Joint Instruction Accounts (as adjusted to include any prior Floating Charge Deed Delivery Amount and to exclude any prior Floating Charge Deed Return Amount the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date)

exceeds

- (b) the Aggregate Floating Charge Return Amount.

Rounding

4.3 The Floating Charge Deed Delivery Amount and the Floating Charge Deed Return Amount will be rounded up or down to the nearest integral multiple of GBP 10,000, respectively.

Additional Collateral and Substitute Cash Collateral subject to set-off or lien

4.4 Any property or amounts in respect of which the Custodian has exercised its rights of set-off or lien but which remain standing to the credit of any Joint Instruction Accounts shall be deemed no longer to be standing to the credit of that Joint Instruction Accounts.

the case of Clause 6.1 (*Disputed Calculations and Variations*), following the date of calculation).

5.4 The Chargor will notify the Secured Party, or procure that the Additional Collateral Valuation Agent notifies the Secured Party, of all calculations which it has received from the Additional Collateral Valuation Agent under clause 5.3 within three Local Business Days of receipt of such calculations.

Substitutions

5.5 The Chargor may on any Local Business Day by notice (a *Substitution Notice*) inform the Secured Party that it wishes to transfer to the Joint Instruction Accounts Eligible Collateral (the *Substitute Collateral*) specified in that Substitution Notice in substitution for certain Additional Collateral (the *Original Provided Collateral*) specified in the Substitution Notice comprised in the Additional Collateral, provided that the Substitute Collateral is at least equal to the value of value of the Original Provided Collateral.

5.6 If the Secured Party decides, in its absolute discretion from time to time, that any assets other than Pounds Sterling may be treated as Eligible Collateral in relation to any transfer of Additional Collateral or Substitute Collateral to the Joint Instruction Accounts, it shall retain the right to refuse to treat such assets as Eligible Collateral in relation to any future transfer of Additional Collateral or Substitute Collateral to the Joint Instruction Accounts.

5.7 Prior to a Crystallisation Event, if the Chargor gives notice to the Secured Party that it wishes to substitute Eligible Collateral, (A) the Chargor shall transfer the Substitute Collateral to the Joint Instruction Accounts on the first Settlement Day following the date on which it delivered the Substitution Notice (which may be oral telephonic notice) such that the Value as of that Settlement Day of all Additional Collateral held by the Custodian in the Joint Instruction Accounts exceeds the Aggregate Floating Charge Delivery Amount (as adjusted to include any prior Floating Charge Deed Delivery Amount and to exclude any prior Floating Charge Deed Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Settlement Day) and (B) subject to (x) no Relevant Event having occurred and continuing with respect to the Chargor and (y) the Value as of that Settlement Day of all Additional Collateral held by the Custodian in the Joint Instruction Accounts exceeding the Aggregate Floating Charge Delivery Amount (as adjusted to include any prior Floating Charge Deed Delivery Amount and to exclude any prior Floating Charge Deed Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date), the Custodian will be obliged to transfer to the Chargor the Original Provided Collateral not later than the Settlement Day following the date on which the Custodian receives the Substitute Collateral (the *Substitution Date*); provided that the Custodian will only be obliged to transfer Original Provided Collateral with a Value as of the date of transfer as close as practicable to, but in any event not more than, the Value of the Substitute Collateral as of that date.

5.8 Following a Crystallisation Event if the Secured Party notifies the Chargor that it has consented (such consent to be given in the absolute discretion of the Secured Party) to the proposed substitution, (A) the Chargor will be obliged to transfer the Substitute Collateral to the Joint Instruction Accounts on the first Settlement Day following the date on which it receives notice (which may be oral telephonic notice) from the Secured Party of its consent such that the Value as of that Settlement Day of all Additional Collateral held by the Custodian in the Joint Instruction Accounts exceeds the Aggregate Floating Charge Delivery Amount (as adjusted to include any prior Floating Charge Deed Delivery Amount and to

exclude any prior Floating Charge Deed Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Settlement Day) and (B) subject to (x) no Relevant Event having occurred and continuing with respect to the Chargor and (y) the Value as of that Settlement Day of all Additional Collateral held by the Custodian in the Joint Instruction Accounts exceeding the Aggregate Floating Charge Delivery Amount (as adjusted to include any prior Floating Charge Deed Delivery Amount and to exclude any prior Floating Charge Deed Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date), the Custodian will be obliged to transfer to the Chargor the Original Provided Collateral not later than the Settlement Day following the date on which the Custodian receives the Substitute Collateral (the *Substitution Date*); provided that the Custodian will only be obliged to transfer Original Provided Collateral with a Value as of the date of transfer as close as practicable to, but in any event not more than, the Value of the Substitute Collateral as of that date.

6. DISPUTE RESOLUTION

Disputed Calculations or Valuations

6.1 If a Party (a *Disputing Party*) reasonably disputes (I) the Additional Collateral Valuation Agent's calculation of a Floating Charge Deed Delivery Amount or a Floating Charge Deed Return Amount or (II) the Value of any transfer of Additional Collateral, then:

- (a) the Disputing Party will notify the other Party and the Additional Collateral Valuation Agent (if the Additional Collateral Valuation Agent is not the other Party) not later than the Close of Business on the Local Business Day following, in the case of (I) above, the date that the demand or request (as the case may be) is received under Clause 3.4(c) (*Credit Support Obligations*) or, in the case of (II) above, the date of transfer;
- (b) in the case of (I) above, the appropriate Party will transfer the undisputed amount to the other Party not later than the Close of Business on the Settlement Day following the date that the demand or request (as the case may be) is received under Clause 3.4(c) (*Credit Support Obligations*);
- (c) the parties will consult with each other in an attempt to resolve the dispute; and
- (d) if they fail to resolve the dispute by the Resolution Time, then the Additional Collateral Valuation Agent will recalculate the Value as of the date of transfer as follows:
 - (i) the Value of cash will be the face amount thereof; and
 - (ii) with respect to securities, the sum of (1) (x) the arithmetic mean of the high bid and low asked prices quoted on such date by any principal market-maker for such securities chosen by the Disputing Party, or (y) if no quotations are available from a principal market-maker on such date, the arithmetic mean of such high bid and low asked prices as of the day, next preceding such date, on which such quotations were available, plus (2) the accrued interest on such securities (except to the extent transferred to a Party pursuant to any applicable provision of this Deed or included in the applicable price referred to in (1) of this clause (ii)) as of such date.

Following a recalculation pursuant to this Clause, the Additional Collateral Valuation Agent will notify each Party (or the other Party, if the Additional Collateral Valuation Agent is a Party) as soon as possible but in any event not later than the Notification Time on the Local Business Day following the Resolution Time. The appropriate Party will, upon demand following that notice by the Additional Collateral Valuation Agent or a resolution pursuant to (c) above and subject to Clauses 5.1 (*Conditions Precedent*) and 5.2 (*Transfers*), make the appropriate transfer.

Not a Relevant Event

6.2 The failure by a Party to make a transfer of any amount which is the subject of a dispute to which Clause 6.1 (*Disputed Calculations and Variations*) applies will not constitute a Relevant Event under Clause 8 (*Default*) for as long as the procedures set out in Clause 6 (*Dispute Resolution*) are being carried out. For the avoidance of doubt, upon completion of those procedures, Clause 8 (*Default*) will apply to any failure by a Party to make a transfer required under the final sentence of Clause 6.1 (*Disputed Calculations and Variations*) on the relevant due date.

Interaction with the RAPD

6.3 The Parties agree to use their reasonable efforts:

- (a) to make valuations and calculations in a way which is consistent amongst the arrangements provided for under this Floating Charge Deed; and
- (b) to arrange for disputes or similar matters to be resolved consistently.

7. HOLDING ADDITIONAL COLLATERAL AND SUBSTITUTE CASH COLLATERAL

Care of Additional Collateral

7.1 The Chargor and the Custodian on its behalf will exercise reasonable care to assure the safe custody of all Additional Collateral and Substitute Cash Collateral. The Chargor and the Custodian on its behalf shall, without limitation, collect any Distributions, or enforce or preserve any rights pertaining to the Additional Collateral and Substitute Cash Collateral.

Eligibility to Hold Additional Collateral and Substitute Cash Collateral; Custodians

7.2 *General:* The Chargor has appointed JPMorgan Chase Bank, N.A. London Branch as its initial Custodian to hold Additional Collateral and Substitute Cash Collateral. The Chargor's obligations to make any transfer pursuant to Clause 4.1 (*Credit Support Obligations*) will be discharged by making the transfer to the Joint Instruction Accounts at its Custodian.

7.3 *Liability:* The Chargor will be liable for the acts or omissions of its Custodian to the same extent that the Chargor would be liable under this Floating Charge Deed for its own acts or omissions.

Segregated Accounts

7.4 The Chargor shall cause its Custodian to open and maintain one or more segregated Joint Instruction Custody Accounts, as appropriate, in which to hold Additional Collateral (other than Additional Collateral in the form of cash) under this Floating Charge Deed. The Chargor and any Custodian shall each hold, record and/or identify in the relevant Joint

banknotes, cheques, promissory notes, additional cheques and other bank additional collateral in the form of ready cash in relation to the Floating Charge Fund, and, except as provided otherwise herein, such additional collateral shall at all times be and remain segregated from the property of the Chargee and the relevant Contributor. At all times and be, the Fund in no time be commingled with the property of the Chargee or such Contributor. Additional Collateral in the form of such ready cash or such bank additional shall be provided in the form of cash in the Account on Charge with the Contributor.

No Lien or Additional Collateral or Subordinate Debt Collateral

7.3. For the avoidance of doubt, and without limiting the rights of the Chargee or the Contributor under the other provisions of this Floating Charge Deed, the Chargee and the Contributor will not have the right to sell, pledge, assign, mortgage, assign, lease, use, encumber or otherwise dispose of, or otherwise use or benefit in any Additional Collateral or Subordinate Debt Collateral.

Right to Repossessing Additional Collateral

7.4. Notwithstanding to the extent and subject to the provisions of this Chargee shall be entitled to repossess, or to direct the Contributor to repossess, any assets rights attached to any of the Additional Collateral first only in a manner consistent with the terms of the Floating Charge Deed and the RARU, as applicable:

7.5. In order to remove assets, at any time, up or after the occurrence of a Payment Event and without any further consent or authority in the part of the Chargee, the Secured Party may exercise its rights under the terms of the Chargee, the Contributor or otherwise in respect of any of the Additional Collateral to sell, assign, pledge and any power or rights which may be assumed by the person or persons, or series of persons, to control the Additional Collateral, to be provided or used in the future or under all forms (including that of a fund) of the power given to the Secured Party by sections 1(5) and (6) of the Finance Act 1973 (as amended by section 8 of the Finance Act 1980), in connection with the exercise of its power under the Chargee, to the Secured Party exercises any such rights or powers to sell, assign or otherwise dispose of the assets to the Chargee or otherwise as it sees fit.

Calls and Other Obligations

7.6. Payment of Calls. The Chargee will pay all calls or other payments which may become due in respect of any of the Additional Collateral and it is hereby agreed that the Secured Party may elect to make such payments (including by payment to the Contributor by the Contributor to make such payments) on behalf of the Chargee. Any sums so paid to the Secured Party shall be repayable by the Chargee to the Secured Party on demand together with interest at the Default Rate from the date of such payment by the Secured Party and pending such repayment shall form part of the Collateral.

7.7. Payment of Interest. The Chargee shall promptly pay to the Secured Party and comply with all requests for information which it claims or acknowledges and which are made under sections 747, 820, 821, 822, 823, 824 and 825 of the Companies Act 2006 or any other law provisions applicable in any jurisdiction or other jurisdiction (including in relation to any of the Additional Collateral) which it claims or acknowledges the Secured Party may elect to provide such information as it may have on behalf of the Chargee.

7.8. Ongoing Obligations of Chargee. The Chargee shall remain liable to observe and perform all of the other obligations and obligations assumed by it in respect of any of the Additional Collateral.

7.11 *No Liability of Secured Party:* The Secured Party shall not be required to perform or fulfil any obligation of the Chargor in respect of the Additional Collateral or to make any payment in respect of the Additional Collateral, or to make any enquiry as to the nature or sufficiency of any payment received by the Custodian or the Chargor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Floating Charge Deed at any time.

Distributions and Interest

7.12 *Distributions:* The Chargor and/or the Custodian shall pay any Distributions it receives in cash into the Joint Instruction Cash Account or in securities credit such securities to the Joint Instruction Custody Account.

7.13 *Interest:* With respect to Additional Collateral in the form of cash and Substitute Cash Collateral, any Interest shall be credited to the Joint Instruction Cash Account.

7.14 Any Distributions or Interest credited to the Joint Instruction Accounts will constitute Additional Collateral and/or Substitute Cash Collateral (as applicable) and will be subject to the security interest granted under Clause 2.2 (*Security*) or otherwise will be subject to the set-off provided in Clause 9.1(b) (*Secured Party's Rights*).

Joint Instruction Accounts opened

7.15 The RMPP Trustee confirms that each of the following accounts has been opened in its name with the Custodian:

- (a) the Joint Instruction Cash Account; and
- (b) the Joint Instruction Custody Account.

8. DEFAULT

For purposes of this Floating Charge Deed, a *Relevant Event* will have occurred with respect to the Chargor if an Early Termination Date is designated or occurs under the RAPD other than where the Secured Party is the Affected Party in respect of such Relevant Event.

9. RIGHTS OF ENFORCEMENT

Secured Party's Rights

9.1 If at any time a Relevant Event with respect to the Chargor has occurred and is continuing, then, unless the Chargor has paid in full all of its Obligations that are then or may become due and payable:

- (a) the Secured Party shall following prior written notice to the Chargor, be entitled to put into force and to exercise immediately or as and when it may see fit any and every power possessed by the Secured Party by virtue of this Floating Charge Deed or available to a secured creditor and in particular (but without limitation) the Secured Party shall have power in respect of Additional Collateral other than in the form of cash:
 - (i) to sell, and/or to instruct the Custodian to sell, all or any of the Additional Collateral in any manner permitted by law upon such terms as the Secured Party shall in its absolute discretion determine; and/or

- (ii) to collect, recover or compromise, and/or to instruct the Custodian to collect, recover or compromise and to give a good discharge for any moneys payable to the Chargor (or its Custodian) in respect of any of the Additional Collateral; and/or
 - (iii) to apply or (to the fullest extent permitted by law) appropriate, and/or instruct the Custodian to transfer to it in application or (to the fullest extent permitted by law) appropriation of, the Additional Collateral (and any proceeds in respect thereof) in or towards the payment or discharge of any amounts payable by the Chargor with respect to any Obligation in such order as the Secured Party sees fit; and
- (b) the Secured Party may in respect of Additional Collateral in the form of cash and Substitute Cash Collateral immediately or at any subsequent time, without prior notice to the Chargor:
 - (i) apply or (to the fullest extent permitted by law) appropriate, and/or instruct the Custodian to transfer to it in application or (to the fullest extent permitted by law) appropriation of, the Additional Collateral and/or Substitute Cash Collateral in or towards the payment or discharge of any amounts payable by the Chargor with respect to any Obligation in such order as the Secured Party sees fit; and/or
 - (ii) set off all or any part of any amounts payable by the Chargor with respect to any Obligation against any obligation of the Secured Party to repay any amount to the Chargor in respect of the Additional Collateral and/or Substitute Cash Collateral; and/or
 - (iii) debit any Joint Instruction Cash Account of the Chargor with the Custodian at any of its offices anywhere (including an account opened specially for that purpose) with all or any part of any amounts payable by the Chargor with respect to any Obligation from time to time;

and for the purposes of this Clause 9.1(b) (*Secured Party's Rights*) the Secured Party shall be entitled:

- (A) to make any currency conversions or effect any transaction in currencies which it thinks fit, and to do so at such times and rates as it thinks proper;
- (B) to effect any transfers between, or entries on, any of the Chargor's accounts with the Secured Party as it thinks proper; and
- (C) otherwise direct the Custodian to deal with the Additional Collateral and/or Substitute Cash Collateral and to account and/or pay to the Secured Party all proceeds of sale, realisation or redemption or otherwise received in respect of such Additional Collateral and/or Substitute Cash Collateral in or towards payment or discharge of any amounts payable by the Chargor with respect to any Obligations in such order as the Secured Party sees fit.

Power of Attorney

9.2 The Chargor, by way of security and solely for the purpose of more fully securing the performance of the Obligations, with effect from the occurrence of a Relevant Event where the Chargor is the Affected Party in respect of such Relevant Event irrevocably appoints the Secured Party as the attorney of the Chargor on its behalf and in the name of the Chargor or the Secured Party (as the attorney may decide) to do all acts which the Chargor may be obliged to perform under, pursuant to or in connection with this Floating Charge Deed but has not performed, and execute all documents which the Chargor could itself execute but has not executed, in relation to any of the Additional Collateral or in connection with any of the matters provided for in this Floating Charge Deed, including (but without limitation):

- (a) to execute any transfer, bill of sale or other assurance in respect of the Additional Collateral and/or the Substitute Cash Collateral;
- (b) to exercise all the rights and powers of the Chargor in respect of the Additional Collateral and/or the Substitute Cash Collateral;
- (c) to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due and to become due under or arising out of any of the Additional Collateral and/or the Substitute Cash Collateral;
- (d) to endorse any cheques or other instruments or orders in connection with any of the Additional Collateral and/or the Substitute Cash Collateral;
- (e) to make any claims or to take any action or to institute any proceedings which the Secured Party considers to be necessary or advisable to protect or enforce the security interest created by this Floating Charge Deed; and
- (f) to direct the Custodian with respect to the Additional Collateral and/or the Substitute Cash Collateral (including with respect to any of the foregoing).

Protection of Purchaser

9.3 No purchaser or other person dealing with the Secured Party or with its attorney or agent shall be concerned to enquire (1) whether any power exercised or purported to be exercised by the Secured Party has become exercisable, (2) whether any Obligation remains due, (3) as to the propriety or regularity of any of the actions of the Secured Party or (4) as to the application of any money paid to the Secured Party.

9.4 In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed, so far as regards the safety and protection of such purchaser or other person, to be within the powers conferred by this Floating Charge Deed and to be valid accordingly. The remedy of the Chargor in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

Deficiencies and Excess Proceeds

9.5 To the extent it has received the same, the Secured Party will transfer to the Chargor any proceeds and Additional Collateral and Substitute Cash Collateral remaining after liquidation, set-off, appropriation, application and/or other enforcement under Clause 9.1 (*Secured Party's Rights*) and after satisfaction in full of all amounts payable by the Chargor with respect to any Obligations; the Chargor in all events will remain liable for any amounts

Remuneration and Expenses

11.5(a) **Remuneration:** The remuneration of the Receiver shall be fixed by the Secured Party acting reasonably, but shall be payable hereunder by the Chargor alone. The amount of such remuneration shall be paid in accordance with the terms and conditions and in the manner agreed from time to time between the Receiver and the Secured Party and shall form part of the Obligations.

(b) **Expenses:** In addition to the remuneration of the Receiver, the Chargor shall pay or reimburse all out-of-pocket costs, charges and expenses (including legal and travelling expenses and insurance premiums) which the Receiver properly incurs in or in connection with:

- (i) the exercise or the attempted exercise, or the consideration or taking of advice as to the exercise by or on behalf of the Receiver of any of the powers of the Receiver;
- (ii) the enforcement, preservation or attempted preservation of this Deed (or any of the charges contained in or granted pursuant to it) or any of the Additional Collateral and/or the Substitute Cash Collateral or any other action taken by or on behalf of the Receiver with a view to or in connection with the recovery by the Receiver of the Obligations from the Chargor or any other person;
- (iii) the carrying out of any other act or matter which the Receiver may consider to be necessary for the preservation, improvement or benefit of the Additional Collateral and/or the Substitute Cash Collateral; or
- (iv) this Floating Charge Deed and the RAPD and/or the transactions contemplated therein.

Indemnity of Receiver

11.6 The Chargor shall indemnify and keep indemnified the Receiver in full against any Indemnified Loss which it incurs, otherwise than by reason of its wilful default, negligence or fraud, in respect of:

- (a) the performance by the Receiver of its obligations under this Floating Charge Deed or any document or arrangement entered into between the Chargor and such Receiver;
- (b) anything done or purported to be done by the Receiver under this Floating Charge Deed, or the other documents referred to in Clause 11.6(a) (*Indemnity of Receiver*) or anything omitted or purported to be done by the Receiver thereunder; and
- (c) the exercise or attempted exercise by or on behalf of the Receiver of any of its powers, discretions or determinations or any other actions taken by the Receiver with a view to or in connection with enforcing on behalf of the Secured Party its rights under this Floating Charge Deed.

Receiver's Powers

11.7 The Receiver, in addition to any powers conferred on an administrative receiver, receiver, manager or receiver and manager by statute or common law (including, without limitation, Schedule 1 of the Insolvency Act 1986, regardless of whether the Receiver is an administrative receiver), shall have the following powers as varied or extended by the

provisions of this Floating Charge Deed (in the name or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor):

- (a) **Possession of Additional Collateral and Substitute Cash Collateral:** to take immediate possession of, get in and collect the Additional Collateral and/or the Substitute Cash Collateral (or such part thereof in respect of which he may be appointed) or any part thereof including income whether accrued before or after the date of his appointment;
- (b) **Disposal of Additional Collateral and Substitute Cash Collateral:** to sell, exchange, license, surrender, release, disclaim, abandon, return or otherwise dispose of or in any way whatsoever deal with the Additional Collateral, the Substitute Cash Collateral or any interest in the Additional Collateral and/or the Substitute Cash Collateral or any part thereof for such consideration (if any) and upon such terms (including by deferred payment or payment by instalments) as he may consider appropriate and to concur in any such transaction;
- (c) **Borrowing to pay remuneration:** in connection with the exercise or the proposed exercise of any of his powers or in order to obtain payment of his remuneration (whether or not it is already payable), to borrow or raise money from any person without security or on the security of any of the Additional Collateral and/or the Substitute Cash Collateral and generally in such manner and on such terms as he may consider appropriate;
- (d) **Compromise:** to negotiate, settle, adjust, refer to arbitration, compromise, abandon and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a Secured Party or relating in any way to the Additional Collateral and/or the Substitute Cash Collateral or any part thereof;
- (e) **Legal actions:** to bring, prosecute, enforce, defend and abandon any actions, suits and proceedings concerning the Additional Collateral and/or the Substitute Cash Collateral or any part of them as may seem to him to be expedient;
- (f) **Receipts:** to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Additional Collateral and/or the Substitute Cash Collateral;
- (g) **Transfer of Additional Collateral and Substitute Cash Collateral:** to transfer all or any of the Additional Collateral and/or the Substitute Cash Collateral;
- (h) **Discharge of Security Interests:** to redeem, discharge or compromise any Security Interest from time to time having priority to or ranking *pari passu* with this Floating Charge Deed;
- (i) **Action on behalf of the Chargor:** in connection with the exercise of any of his powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Chargor or otherwise, as he may consider appropriate, all documents, receipts, registrations, acts or things which he may consider appropriate in each case in respect of the Additional Collateral and/or the Substitute Cash Collateral only;
- (j) **Exercise powers in relation to Additional Collateral and Substitute Cash Collateral:** to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Additional Collateral and/or the Substitute Cash

Collection or included in the ownership of or right to or to any of the Additional Collection under the Substantive Cash Collection and is coupled or effect for transmission effected and by the Drawer and recipient, whether absolute or merely as agent of the collecting accounts or arrangements of the Drawer relating to or affecting the Additional Collection under the Substantive Cash Collection.

- (b) Transmission relating to Additional Collection and Substantive Cash Collection generally to any one or more of either to be carried out, any transmission scheme or arrangement submitted, whether similar or not to any of the foregoing, in relation to the Additional Collection under the Substantive Cash Collection which in any manner operative is effectively or in any way directly or indirectly related to the Additional Collection under the Substantive Cash Collection, and
- (c) Effect unless in the ordinary and proper course of the business of the Drawer or otherwise for making any Additional Collection and Substantive Cash Collection or, medium or operative to any of the agent, power or arrangement, submitted as a business under or by virtue of the foregoing charge listed.

Limitation of liability of the Drawer

11.8 The Drawer shall not be liable or responsible for any loss which may result from anything done or omitted to be done by it or its officers or employees under this Floating Charge Deed save where any such loss shall in result of breach of contract, willful default, negligence or fraud on the part of the Drawer or any of its officers or employees. None of the provisions of this Floating Charge Deed shall, in any manner, which the Drawer or its officers or employees have failed to take care or diligence required as a drawer to its circumstances under the Floating Charge Deed, having regard to the provisions of this Floating Charge Deed and to general law, release or limit the liability against any liabilities which by virtue of any loss or loss would otherwise result to it in respect of any loss or breach of contract, willful default, negligence or fraud.

Provisions of the IPA 1994

11.9 Sections 10(1) and (3) of the Law of Property Act 1925 shall not apply in relation to any Receiver.

11.10 None of the provisions imposed by the Law of Property Act 1925 in relation to the appointment of trustees or as to the giving of notice or otherwise shall apply to this Floating Charge Deed.

12. MISCELLANEOUS

12.1 The Drawer represents to the Secured Party (which representations will be deemed to have been made or made on behalf of the Drawer, whether by legal counsel or otherwise) that:

- (a) it has the power to execute, deliver and perform all obligations under this Floating Charge Deed and has taken all necessary steps to authorise such execution, delivery and performance;
- (b) no Security Interest (whether existing or pending) exists, which would materially impair or be a detriment of the Secured Party's rights in the assets created or provided to and by it or in affecting the Floating Charge Account;

- (c) it has the power to grant a security interest in and over the Joint Instruction Accounts and any Eligible Collateral it transfers as the Chargor to the Custodian under this Floating Charge Deed and has taken all necessary actions to authorise the granting of that security interest;
- (d) all Eligible Collateral it transfers as the Chargor to the Custodian under this Floating Charge Deed, is free and clear of any Security Interest or other interest or restriction other than the security interest granted under Clause 2 (*Security*) and other than a lien generally imposed on all securities in a clearing system in which any such Eligible Collateral may be held;
- (e) this Floating Charge Deed creates the security interests which it purports to create and those security interests are, subject to any general principles of law limiting the Chargor's obligations generally, valid and effective; and
- (f) the performance by it as the Chargor of its obligations under this Floating Charge Deed will not result in the creation of any Security Interest or other interest in or on any Additional Collateral and Substitute Cash Collateral other than the security interest created under this Floating Charge Deed (and other than any lien generally imposed on all securities in a clearing system in which any such Additional Collateral and/or Substitute Cash Collateral may be held).

12.2 The Secured Party represents to the Chargor that it has the power to execute, deliver and perform all obligations under this Floating Charge Deed and has taken all necessary action to authorise such execution, delivery and performance.

13. UNDERTAKINGS

13.1 The Chargor undertakes that for as long as any Obligations are outstanding it:

- (a) shall not take any actions or give any directions which would invalidate, terminate or otherwise materially impair or materially adversely affect the Security Interest in favour of the Secured Party over the Joint Instruction Accounts and the Additional Collateral and the Substitute Cash Collateral;
- (b) shall not enforce or attempt to enforce any claims or rights over or in respect of, or pursue or attempt to pursue any other remedies against the Joint Instruction Accounts and the Additional Collateral and the Substitute Cash Collateral until the irrevocable and unconditional full and final payment or discharge by the Chargor of all Obligations.

14. EXPENSES

General

14.1 Except as otherwise provided in Clauses 14.2 (*Additional Collateral and Substitute Cash Collateral*) and 14.3 (*Liquidation/Application of Additional Collateral and Substitute Cash Collateral*), each Party will pay its own costs and expenses (including any stamp, transfer or similar transaction tax or duty payable on any transfer it is required to make under this Floating Charge Deed) in connection with performing its obligations under this Floating Charge Deed and neither Party will be liable for any such costs and expenses incurred by the other Party.

Additional Collateral and Submarine Cash Collateral

14.2 The Chargee will promptly pay when due all such securities or charges of any nature that are required with respect to Additional Collateral and Submarine Cash Collateral with by the Chargeholder, becoming aware of the need.

Impairment/Exhaustion of Additional Collateral and Submarine Cash Collateral

14.3 All inventory assets and equipment owned by the Secured Party in connection with the transaction shall appertain and be any other whatsoever in respect of any Additional Collateral and Submarine Cash Collateral under Clause 5 (Types of Requirements) will be payable within 1000 Business Days of demand by the Lender Party or, if there is no Additional Party by the Lender.

15. Waiver

No Release or Waiver by any Party in exercising any right or remedy provided by law under or pursuant to the Floating Charge Deed shall impair such right or remedy or operate to be construed as a release or waiver of such particular or release of any subsequent time and/or single or partial exercise of any such right or remedy shall preclude any claim or further exercise of or in the exercise of any other right or remedy.

16. Parties Acknowledges

Properly following a demand made by a Party the other Party will remain bound to and fulfill any financial demand, provide assignment in order documents and file any other state that may be necessary or desirable and reasonably required by that Party to create, preserve, perfect or enforce any security interest granted under Clause 5 (Requirements) to ensure that Party remains in full compliance with the Floating Charge Deed with respect to the Additional Collateral and Submarine Cash Collateral or in effect or document a release of a security interest in respect of Additional Collateral and Submarine Cash Collateral.

17. Parties Representations

The Chargee will promptly pay when due the demand for and interest against any such claim, providing in full that includes Additional Collateral and/or Submarine Cash Collateral transferred by the Chargee or that could materially adversely affect the remedy interest granted by it under Clause 5 (Requirements).

18. Relationship between the Parties

Nothing herein shall be deemed to be construed by the Parties nor by any third party as creating a partnership, an agency relationship or joint venture between the Parties or any of their respective subsidiaries or affiliates.

19. Delivery

19.1 Any order or requirement with this Deed shall be in writing in English and delivered by hand, registered post or e-mail using an internationally recognized courier company. A receipt shall be returned upon receipt and shall be deemed to have been received in the case of delivery.

19.2 The address of the Party to the payment of Clause 19.1 and delivering any other notices under this Deed are:

The Fund

For the attention of:
the directors of the Fund
copied to

Andrew Maggs
Alex Reeves
Will Holyoak

Address:

Department for Business, Innovation
and Skills,
1 Victoria Street,
London,
SW1H 0ET

RMPP Trustee

For the attention of:
Peter Metcalfe
(Head of Finance)
Ian McKnight
(Head of Investment)

Address:

11 Ironmonger Lane,
London,
England,
EC2V 8EY

20. VARIATION

20.1 No variation of this Floating Charge Deed shall be valid unless it is in writing and signed by or on behalf of each of the Parties to it. The expression *variation* shall include any variation, supplement, deletion or replacement however effected. No waiver of the Floating Charge Deed shall be valid unless it is in writing and signed by the Party giving such waiver.

20.2 Unless expressly agreed, no variation shall constitute a general waiver of any provisions of this Floating Charge Deed, nor shall it affect any rights, obligations or liabilities under or pursuant to this Floating Charge Deed which have already accrued up to the date of variation, and the rights and obligations of the Parties under or pursuant to this Floating Charge Deed shall remain in full force and effect, except and only to the extent that they are so varied.

21. ASSIGNMENT

21.1 The Secured Party may, without the consent of the Chargor, assign its rights and obligations under this Floating Charge Deed to a third party public body **Provided That** such third party public body shall be:

- (a) a Minister of the Crown under an Order under the Ministers of the Crown Act 1975 (a *Minister*); or

26. GOVERNING LAW AND JURISDICTION

26.1 This Floating Charge Deed shall be governed by, and interpreted in accordance with, English law. Any matter, claim or dispute arising out of or in connection with this Floating Charge Deed, whether contractual or non-contractual is to be governed by and determined in accordance with English law.

26.2 Except as expressly provided otherwise in this Floating Charge Deed, the courts of England are to have exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of or in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by, this Floating Charge Deed or otherwise arising in connection with this Floating Charge Deed, and for such purposes each Party irrevocably submits to the jurisdiction of the English courts.

IN WITNESS of which due Meeting Charge Deed has been executed as a DEED and has been delivered on the date first above written.

EXECUTED AS A DEED BY

SECURED PARTY

RIS (POSTAL SERVICES ACT 2011)
COMPANY LIMITED
acting by a director
in the presence of

Name:
Address:
Occupation:

CHARGOR

ROYAL MAIL PENSIONS
TRUSTEES LIMITED
acting by two directors
/a director
and secretary

M. F. *[Signature]*
Director

[Signature] Witness

ARDEL MAUL
RIS, 1 VICTORIA ST. LONDON
CIVIL SERVANT

Director

Director/Secretary

SCHEDULE 1

To: JPMorgan Chase Bank, N.A. London Branch (the *Custodian*)
125 London Wall
London EC2Y 5AJ

Dear Sirs

Floating Charge Deed dated _____ 2014 (the *Floating Charge*) between
BIS (Postal Services Act 2011) Company Limited (the *Fund*) and the Royal Mail
Pensions Trustees Limited (the *Trustee*)

This letter constitutes notice to you that under the Floating Charge Deed the Trustee has granted a floating charge by way of security in favour of the Fund over all of its right, title, interest and benefit present and future, in, to and under the accounts numbered:

Custody Account	ABY82
Cash Account	AFC70

(the *Joint Instruction Accounts*) and all of the property and cash in those accounts, including all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of, or in substitution therefor, the proceeds of sale, repayment and redemption thereof and any interest accrued and other moneys received in respect thereof. The Trustee also gives you notice that it has assigned by way of security under the Floating Charge Deed its rights in respect of the custody agreement dated 1 May 2013 between the Trustee in its capacity as the trustee of the Royal Mail Pension Plan and you, the Custodian (the *Custody Agreement*).

We, the Trustee and the Fund, confirm and undertake that:

- (a) the only duties of the Custodian, as custodian, has in relation to the Joint Instruction Accounts are as contained in the Custody Agreement;
- (b) the Trustee will remain liable under the Custody Agreement to perform all the obligations assumed by the Trustee under the Custody Agreement;
- (c) the Fund will be jointly and severally liable with the Trustee in relation to all obligations assumed by the Trustee in respect of fees and reasonable out-of-pocket or incidental expenses under clause 4.1 of the Custody Agreement;
- (d) the Fund will indemnify the Bank Indemnities (as defined in the Custody Agreement) against, and hold each of them harmless from, any liability that may be imposed on, incurred by or asserted against the Bank Indemnities as a result of any Instruction (as defined in the Custody Agreement) jointly authorised by the Fund, up to the value of any fees and reasonable out-of-

procket or incidental expenses incurred by the Trustee under the Custody Agreement; and

- (e) neither the Fund nor the Trustee will hold you responsible for ensuring any enforcement events in relation to the Floating Charge.

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

Please acknowledge the receipt of this letter by sending the attached acknowledgment to the Trustee and the Fund at the specified addresses.

Yours faithfully

.....

.....
Signature

.....
Print name

.....
Signature

For and on behalf of SIS (PORTAL SERVICES ACT 2011) COMPANY LIMITED

.....
Print name

.....
Signature

.....
Print name

.....
Signature

To: Royal Mail Pensions Trustees Limited
11 Ironmonger Lane,
London, EC2V 8EY

BIS (Postal Services Act 2011) Company Limited
Masters House
107 Hammersmith Road
London, W14 0QH

..... 2014

Dear Sirs

Acknowledgment

We confirm receipt from you, Royal Mail Pensions Trustees Limited (the *Trustee*) and BIS (Postal Services Act 2011) Company Limited (the *Fund*), of a notice dated 2014 on the terms of the Floating Charge Deed dated 2014 (the *Floating Charge Deed*) between the Fund and the Trustee of a grant of a floating charge by way of security over the accounts numbered:

Custody Account	ABY82
Cash Accounts	AFC70

and the assignment of all of the Trustee's rights in respect of the custody agreement entered into between us and the Trustee dated 1 May 2013 (the *Custody Agreement*). We hereby give our permission to the creation of such floating charge and the assignment of the rights under the Custody Agreement.

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

Yours faithfully

For and on behalf of JPMORGAN CHASE BANK, N.A. LONDON BRANCH

.....
Print name

.....
Signature