



Registration of a Charge

Company name: **LLOYD & WHYTE LIMITED**

Company number: **03686765**



X8F8PIYB

Received for Electronic Filing: **02/10/2019**

Details of Charge

Date of creation: **30/09/2019**

Charge code: **0368 6765 0007**

Persons entitled: **ECCLESIASTICAL INSURANCE GROUP PLC**

Brief description: **TRADEMARKS: LLOYD & WHYTE (TRADEMARK NUMBER 004598521).
DOMAIN NAMES: LLOYDWHYTE.COM; LLOYDWHYTE.CO.UK;
LLOYDANDWHYTE.COM; LLOYDANDWHYTE.CO.UK; REEDWAYS.CO.UK;
MEDICAL-MONEY.CO.UK; MIAB.CO.UK.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT
TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

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

Certified by:

CHARLES RUSSELL SPEECHLYS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3686765

Charge code: 0368 6765 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2019 and created by LLOYD & WHYTE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd October 2019 .

Given at Companies House, Cardiff on 3rd October 2019

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



Companies House



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

EXECUTION VERSION



I certify that save for material redacted pursuant
to section 859G of the Companies Act 2006,
this copy is a correct copy of the original instrument.

Signed: *Charles Russell Speechlys LLP*

Dated: *1 October 2019*

DATED *30 September*

2019

**(1) LLOYD & WHYTE GROUP LIMITED and THE ENTITIES
LISTED IN SCHEDULE 1 (as Original Chargors)**

and

**(2) ECCLESIASTICAL INSURANCE GROUP PLC
(as Security Trustee)**

DEBENTURE

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THIS DEED is dated 30 September 2019

BETWEEN:

- (1) **LLOYD & WHYTE GROUP LIMITED**, a company incorporated and registered in England and Wales with company number 01143899, whose registered office is at Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA (the "**Parent**");
- (2) **THE ENTITIES LISTED IN Schedule 1** (together with the Parent, the "**Original Chargors**" and each a "**Original Chargor**"); and
- (3) **ECCLESIASTICAL INSURANCE GROUP PLC**, a company incorporated and registered in England and Wales with company number 01718196 whose registered office is at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, as security trustee for and on behalf of the Secured Parties (the "**Security Trustee**").

BACKGROUND:

Each Chargor enters into this Deed in connection with the Master Facility Agreement (as defined below) and all Sub-Facility Agreements.

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Accession Deed	a deed substantially in the form in Schedule 7 (<i>Form of Accession Deed</i>)
Account Bank	each bank, financial institution or other person with whom an Account is maintained
Accounts	the account(s) the details of which are specified in Parts 1 and 2 of Schedule 4 (<i>Account Details</i>) or Schedule 3 (<i>Accounts</i>) of any Accession Deed and all other accounts held with any Account Bank at any time owned or operated by a Chargor as renumbered or redesignated from time to time, each replacement account or sub-account relating to any of them, all money from time to time standing to the credit of those accounts and all interest accruing in relation to them and the debt or debts represented thereby
Additional Chargor	any person which becomes a Chargor by executing a Accession Deed
Administrator	any administrator appointed in respect of any Chargor whether by the Security Trustee, a court or otherwise
Affiliate	in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company;

Authorisation	an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
Business Day	a day other than Saturday, Sunday or a public holiday in England where banks in London are open for business
Chattels	all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of a Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them
Chargor	an Original Chargor or an Additional Chargor;
Contracts	all present and future contracts and agreements entered into by a Chargor and all guarantees, warranties and indemnities issued in relation to any Contract and any other contract designated in writing as a "Contract" by the Security Trustee
Delegate	means any delegate, agent, attorney or co-trustee appointed by the Security Trustee and/or any Receiver (as appropriate)
Discharge Date	the date on which the Security Trustee confirms in writing to any Chargor that all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising
Disposal Proceeds	any Net Proceeds required to be prepaid in accordance with the mandatory prepayment clause of a Sub-Facility Agreement
Dividends	all dividends and distributions of any kind, interest and any other income received or receivable by a Chargor in relation to any of the Shares
Event of Default	any event or circumstance specified as an event of default in a Sub-Facility Agreement
Excluded Leaseholds	any leasehold property specified in Part 2 of Schedule 3 (<i>Properties</i>)
Refinancing Facility Agreement	the refinancing facility agreement dated on or about the date of this Deed between, amongst others, each Chargor and the Original Lender
Facility Documents	the Master Facility Agreement and all Sub-Facility Agreements
Finance Documents	the Facility Documents and all Finance Documents

	defined in all Sub-Facility Agreements
Group	the Parent and each of its subsidiaries for the time being
Group Company	any member of the Group from time to time
Insolvency Act	the Insolvency Act 1986
Insurance Prepayment Proceeds	any proceeds of Policy required to be prepaid in accordance with the mandatory prepayment clause of a Sub-Facility Agreement
Intellectual Property	<p>(a) all patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests set out in Schedule 6 (<i>Intellectual Property</i>) or Schedule 6 (<i>Intellectual Property</i>) of any Accession Deed;</p> <p>(b) all present and future patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and</p> <p>(c) the benefit of all applications, licences and rights to use the assets listed in paragraphs (a) and (b) above</p>
Investments	the Shares and Dividends
Lenders	has the meaning given to it in the Master Facility Agreement
Legal Mortgage	a charge by way of legal mortgage granted by a Chargor in favour of the Security Trustee and in the form of Schedule 2 (<i>Form of Legal Mortgage</i>) in respect of all or any part of the Real Property acquired by a Chargor after the date of this Deed
LPA	the Law of Property Act 1925
Master Facility Agreement	a master acquisition facility agreement dated on or about the date of this Deed between the Parent and the Original Lender
Monetary Claims	all book and other debts and monetary claims of any nature and however arising at any time owing to a Chargor or in which it has an interest and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or

held by it in relation to the same

Mortgaged Property	any freehold, leasehold or immovable property specified in Part 1 of Schedule 3 (<i>Properties</i>) or in Schedule 2 (<i>Properties</i>) to any Accession Deed and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage
Net Proceeds	the total consideration received or receivable by any Group Company for the disposal of any shares in any Group Company or of all or any part of the business or assets of any Group Company (including the amount of any inter-company debt of any Group Company disposed of, which is repaid in connection with that disposal), but after deducting all Taxes incurred, or to be incurred, in connection with that disposal and all other reasonable costs and expenses incurred, or to be incurred, by the continuing Group Companies in connection with that disposal
Occupational Lease	any lease or licence or other right of occupation or right to receive rent to which a Real Property may at any time be subject and includes any guarantee of a tenant's obligations under the same
Original Lender	has the meaning given to it in the Master Facility Agreement
Party	a party to this Deed
Permitted Security	any Permitted Security (as such term is defined in the relevant Sub-Facility Agreement) or any Security granted with the prior written consent of the Security Trustee
Planning Legislation	any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation
Policies	<ul style="list-style-type: none">(a) each of the insurance policies described in Schedule 5 (<i>Insurance Policies</i>) or in Schedule 5 (<i>Insurance Policies</i>) of any Accession Deed;(b) each other insurance policy taken out at any time by or on behalf of a Chargor or in respect of which it has an interest or a right to claim; and(c) any other insurance policy designated as a "Policy" by the Security Trustee
Real Property	<ul style="list-style-type: none">(a) the Mortgaged Property;

- (b) any other freehold, leasehold or immovable property in which a Chargor has an interest (including, for the avoidance of doubt, an option to purchase any property); and
- (c) any buildings, erections, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraphs (a) above and (b) above and includes all Related Rights

Receiver	a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets
Regulations	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)
Related Rights	as regards any Security Asset, all present and future: <ul style="list-style-type: none"> (a) money and proceeds of any nature paid or payable in relation to that Security Asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Security Asset; (b) all rights and interests of any nature attaching to, deriving from or exercisable as a result of a Chargor's interest in or ownership or operation of that Security Asset; and (c) all rights to make a demand or claim
Relevant Currency	in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated
Relevant Market	the London Interbank Market
Rental Income	the aggregate of all amounts paid or payable to or for the account of a Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of a Real Property
Secured Liabilities	all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally as principal or surety or in any other capacity whatsoever) of each Chargor to any Secured Party under each Finance Document or otherwise together with all interest accruing in respect of any such monies, obligations and liabilities
Secured Party	means a Lender, a Receiver or Delegate

Security	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
Security Assets	all of the rights, interests and assets which from time to time are, or are expressed to be, subject to the Security created by or pursuant to this Deed
Security Documents	<p>(a) this Deed;</p> <p>(b) any other document evidencing or creating Security over any asset to secure any obligation of any Chargor to a Secured Party under the Finance Documents; and</p> <p>(c) any other document designated as such by the Security Trustee and a Chargor</p>
Security Trust Deed	the security trust deed dated on or around the date of this Deed executed by the Security Trustee in favour of the Lenders
Shares	<p>(a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by a Chargor or in which it has an interest from time to time, including (without limitation) the shares listed in Schedule 2 (<i>The Shares</i>) or in Schedule 1 (<i>The Shares</i>) of any Accession Deed;</p> <p>(b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;</p> <p>(c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise</p>
Shareholders' Agreement	a shareholders' agreement dated or about the date of this agreement between the Borrower, the Security Trustee, Matthew Mervyn Pyke and Joanna Pyke;
Sub-Facility Agreement	has the meaning given to it in the Master Facility

Agreement

Tax	any tax, levy, impost, duty or other charge, fee, deduction or withholding of a similar nature (including any penalty or interest payable in connection with the failure to pay, or delay in paying, any of these)
Transaction Security	means the Security created or evidenced or expressed to be created or evidenced under the Security Documents

2 CONSTRUCTION

2.1 Unless a contrary indication appears, a reference in this Deed to:

- 2.1.1 this Deed; a **"Finance Document"** or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- 2.1.2 a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- 2.1.3 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- 2.1.4 **"Security Asset", "Accounts", "Chattels", "Contracts", "Intellectual Property", "Investments", "Monetary Claims", "Policies" and "Real Property"** includes:
 - (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.1.5 **"Secured Liabilities"** is deemed to include a reference to any part of them;
- 2.1.6 the **"Security Trustee"**, a **"Chargor"**, or any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee in accordance with the Finance Documents;
- 2.1.7 a provision of law is a reference to that provision as amended or re-enacted;
- 2.1.8 the singular is deemed to include the plural and vice versa; and
- 2.1.9 a time of day is a reference to London time.

2.2 The term **"Security Trustee"** includes any subsidiary or group company or assignee of the Security Trustee granting or continuing to grant facilities or accommodation to a Chargor.

- 2.3 "Receivers" are references to receivers of whatsoever nature including, without limitation, receivers, managers and administrative receivers.
- 2.4 "Administrators" are references to administrators appointed under the Insolvency Act and include administrators appointed under the out of court procedure under the Insolvency Act.
- 2.5 Clause and Schedule headings are for ease of reference only.
- 2.6 An Event of Default is "**continuing**" if it has not been remedied or waived.
- 2.7 Any undertaking given by a Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of the Security Trustee.
- 2.8 The terms of the other Finance Documents and of any agreement, instrument or side letters between any parties to any Sub-Facility Agreement in relation to any Finance Document (as the case may be) are incorporated into this Deed to the extent required to ensure that any purported disposition or any agreement for the disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 2.9 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.10 Clauses 4.2 (*Land*) to 4.11 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.11 It is intended that this Deed takes effect as a deed notwithstanding the fact that a Party may only execute this Deed under hand.
- 2.12 If the Security Trustee considers that an amount paid to it under any Finance Document or in relation to any Secured Liability is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 2.13 All obligations of the Chargors under this Deed shall be joint and several.

3 UNDERTAKING TO PAY

Each Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify any Secured Party against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 Nature of the Security

4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Security Trustee;

- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If a Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) that Chargor shall notify the Security Trustee promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which that Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed; and
- (c) unless the Security Trustee otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed.

4.1.3 Each Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.

4.2 Land

Each Chargor charges:

- 4.2.1 by way of a first legal mortgage, all the Mortgaged Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use the Mortgaged Property owned by it; and
- 4.2.2 (to the extent that they are not the subject of a mortgage under paragraph 4.2.1 above) by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use Real Property owned by it.

4.3 Chattels

Each Chargor charges by way of a first fixed charge all the Chattels owned by it.

4.4 Rental Income

- 4.4.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Rental Income provided that if any of those rights are not effectively assigned by this Clause 4.4, this assignment shall instead operate as an assignment of all sums, of any nature, which each Chargor may derive from those rights.

- 4.4.2 To the extent that they are not effectively assigned under paragraph 4.4.1 above, each Chargor charges by way of first fixed charge all of its rights described in paragraph 4.4.1 above.

4.5 Investments

Each Chargor charges by way of a first fixed charge all the Shares and Dividends.

4.6 Accounts

- 4.6.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all its rights in respect of the Accounts.
- 4.6.2 To the extent that they are not effectively assigned under paragraph 4.6.1 above, each Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.7 Monetary Claims

Each Chargor charges by way of a first fixed charge all the Monetary Claims.

4.8 Contracts

- 4.8.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all its rights in respect of:
- (a) the Contracts;
 - (b) any letter of credit issued in its favour; and
 - (c) any bill of exchange or other negotiable instrument held by it.
- 4.8.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the relevant Chargor charges by way of fixed charge all of its rights and interest in such Contract.
- 4.8.3 To the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, the relevant Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.9 Insurances

- 4.9.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.
- 4.9.2 To the extent that they are not effectively assigned under paragraph 4.9.1 above, each Chargor charges by way of a first fixed charge the relevant amounts and rights described in paragraph 4.9.1 above.

4.10 Intellectual Property

Each Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.11 Miscellaneous

Each Chargor charges by way of first fixed charge:

- 4.11.1 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.11.2 any and all Related Rights;
- 4.11.3 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
- 4.11.4 its goodwill and uncalled capital; and
- 4.11.5 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation.

4.12 Floating charge

- 4.12.1 Each Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.12.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to paragraph 4.12.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.13 Crystallisation

- 4.13.1 The Security Trustee may at any time by notice in writing to each and any Chargor convert any floating charge created by that Chargor pursuant to Clause 4.12 (Floating charge) above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:
 - (a) the Security constituted by this Deed has become enforceable in accordance with Clause 18 (*Enforcement of Security*); or
 - (b) the Security Trustee reasonably considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
 - (c) the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security.
- 4.13.2 Notwithstanding paragraph 4.13.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.12 (Floating charge) will automatically and immediately (without notice) convert into a fixed charge over all of each Chargor's assets if:

- (a) any Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of any Sub-Facility Agreement;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of any Chargor or a person entitled to appoint an administrator in respect of any Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of any Chargor other than (i) a winding up petition which is stayed within 14 days of commencement or (ii) a voluntary liquidation of a Chargor which is not the Parent and with the prior written consent of the Security Trustee.

4.13.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.12 (Floating charge) may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule A1 of the Insolvency Act) under the Insolvency Act.

5 **NEGATIVE UNDERTAKINGS**

5.1 **Negative Pledge**

Save as expressly permitted under any Sub-Facility Agreement or this Deed, no Chargor shall create or permit to subsist any Security over any Security Asset other than any Permitted Security.

5.2 **Disposals**

Except as permitted by, and in accordance with the terms of, the relevant Sub-Facility Agreement or the Shareholders' Agreement, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, lease or otherwise dispose or purport or agree to dispose of any of the Security Assets.

6 **GENERAL REPRESENTATIONS AND WARRANTIES**

6.1 **Representations and warranties**

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, as follows:

- 6.1.1 it is the legal and beneficial owner of the Security Assets;

- 6.1.2 it has not received or acknowledged notice of any adverse claim by any person in respect of the Security Assets or any interest in them;
- 6.1.3 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Security Assets;
- 6.1.4 no facility necessary for the enjoyment and use of the Security Assets is subject to terms entitling any person to terminate or curtail its use;
- 6.1.5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Real Property; and
- 6.1.6 this Deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

6.2 Notice of breach

Each Chargor will promptly upon becoming aware of the same give the Security Trustee notice in writing of any breach of any representation or warranty set out in this Deed.

6.3 Power to remedy

- 6.3.1 If a Chargor is at any time in breach of any of its obligations contained in this Deed, the Security Trustee shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Security Trustee and its agents to do all things necessary in connection therewith.
- 6.3.2 The rights of the Security Trustee contained in this clause 6.3 are without prejudice to any other rights of the Security Trustee hereunder and the exercise by the Security Trustee of its rights under this clause shall not make the Security Trustee liable to account as a mortgagee in possession.

7 REAL PROPERTY

7.1 Acquisitions

- 7.1.1 If any Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:
 - (a) notify the Security Trustee immediately;
 - (b) immediately on request by the Security Trustee and at the cost of the Chargors, execute and deliver to the Security Trustee (as trustee for the Secured Parties) a Legal Mortgage in favour of the Security Trustee of that property;
 - (c) on request from the Security Trustee, deposit with the Security Trustee all deeds and documents of title and all local land charges, land charge and Land Registry search certificates and similar documents received by it or on its behalf;
 - (d) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and

- (e) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

7.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The relevant Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within 7 days of making the request. This clause shall not be applicable to any Excluded Leaseholds.

7.3 Notices

Each Chargor shall:

- 7.3.1 promptly give to the Security Trustee full particulars with respect to (and, if requested by the Security Trustee, a copy of) any notice, order, directive, designation, resolution or proposal which applies to any of its Real Property or to the area in which it is situate and which is issued:
 - (a) by any planning authority or other public body or authority under or by virtue of any Planning Legislation;
 - (b) pursuant to any law or regulation relating to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
 - (c) pursuant to section 146 of the LPA; or
 - (d) pursuant to some other power conferred by law;
- 7.3.2 without delay, make such objections or representations (or join with the Security Trustee in making such objections or representations) against or in respect of any such notice, order, directive, designation, resolution or proposal as the Security Trustee may reasonably direct; and
- 7.3.3 take all reasonable steps necessary to comply with each such notice, order, directive, designation, resolution or proposal.

7.4 Deposit of title deeds

Each Chargor shall on request of the Security Trustee deposit with the Security Trustee all deeds and documents of title relating to its Real Property and all local land charges, land charge and Land Registry certificates and similar documents received by it or on its behalf.

7.5 Compliance

Each Chargor shall comply in all material respect with:

- 7.5.1 all laws for the time being in force; and
- 7.5.2 all notices, orders, directives, licences, consents and assurances given or made under any law or regulation by any person,

in each case, insofar as the same relate to its Real Property or the occupation and use of its Real Property.

7.6 Investigation of title

Each Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of that Chargor to enable the Security Trustee or its lawyers to:

- 7.6.1 carry out investigations of title in relation to its Real Property; and
- 7.6.2 make such enquiries in relation to any part of its Real Property as a prudent mortgagee might carry out.

7.7 Compensation payments

Subject to the rights and claims of any person having prior rights to such compensation, all monies payable to a Chargor by way of compensation, whether under Section 25 of the Law of Property Act 1969 or under the Landlord and Tenant Acts 1927 to 1954 or otherwise, shall be paid to the Security Trustee (who shall be entitled to give good receipt for such monies) and applied in accordance with Clause 21.1 (*Order of application*) as though they were the proceeds of the enforcement of the Security constituted by this Deed, and any monies that may be received by a Chargor shall, pending such payment, be held on trust for the Security Trustee.

7.8 Power to remedy

If any Chargor fails to comply with any of the undertakings contained in this Clause 6, each Chargor shall allow the Security Trustee or its agents and contractors:

- 7.8.1 to enter any part of its Real Property;
- 7.8.2 to comply with or object to any notice served on that Chargor in respect of its Real Property; and
- 7.8.3 to take any action as the Security Trustee may reasonably consider necessary or desirable to prevent or remedy the relevant breach or to comply with or object to any such notice.

Any Chargor shall immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee and its agents and contractors incurred in connection with any action taken under this sub-clause.

8 INVESTMENTS

8.1 Deposit of title documents

Each Chargor undertakes to deposit with the Security Trustee or the Security Trustee's nominee:

- 8.1.1 on or before execution of this Deed (in the case of an Additional Chargor, on or before execution of the relevant Accession Deed), all share certificates or other documents of title relating to the Shares;
- 8.1.2 immediately upon its acquisition of any Investment, all share certificates and other documents of title or evidence of ownership relating to that Investment;

- 8.1.3 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, all share certificates and other documents of title or evidence of ownership relating to each of such items;
- 8.1.4 an updated register of members of any company in which a Chargor owns shares, evidencing the relevant Chargor as sole member and appropriately annotated in respect of this Deed; and
- 8.1.5 stock transfer forms (or other appropriate transfer instruments) signed by the relevant Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Trustee may hold all those certificates, forms and documents until the Discharge Date so that the Security Trustee may, at any time after the Security created by this Deed has become enforceable in accordance with its terms and without notice to the relevant Chargor, complete and present those stock transfer forms and any other documents to the issuers of the Security Assets for registration.

8.2 Completion of transfers

The Security Trustee is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of the relevant Chargor in favour of the Security Trustee or its nominee, using the power of attorney contained in Clause 24 (*Power of attorney*) or otherwise.

8.3 Voting and Dividends

8.3.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) subject to paragraph 8.3.2 below, each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that:
 - (i) it does so for a purpose not inconsistent with its obligations under any Finance Document; and
 - (ii) the exercise or failure to exercise those rights does not have an adverse effect on the value of the Investments and does not otherwise prejudice the Security Trustee's interests under this Deed; and
- (b) each Chargor is entitled to receive and retain all Dividends.

8.3.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Security Trustee will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment as it sees fit in its absolute discretion;
- (b) each Chargor shall comply, or procure compliance with, any directions of the Security Trustee in relation to the exercise of those rights and shall

promptly execute and deliver to the Security Trustee all forms of proxy as the Security Trustee may require in connection with the exercise of those rights; and

- (c) all Dividends shall be paid or transferred to the Security Trustee (or to its order) and any Dividends received by any Chargor shall be held by that Chargor on trust for the Security Trustee and immediately paid by it to the Security Trustee or to any nominee designated by the Security Trustee. The Security Trustee will be entitled to apply those Dividends in such manner as it sees fit.

8.3.3 At any time:

- (a) the Security Trustee may, in its absolute discretion, and without any consent or authority from the Chargors (but providing each Chargor with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Investments conferred or to be conferred on the Security Trustee pursuant to paragraph 8.3.2(a) above, provided that the Chargors shall compensate or otherwise make the Security Trustee good in respect of any loss or shortfall it may suffer good as a consequence of such election;
- (b) once a notice has been issued by the Security Trustee under paragraph 8.3.3(a) above, on and from the date of such notice, the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Investments conferred or to be conferred on it pursuant to paragraph 8.3.2(a) above or any other provision of this Deed and all such rights shall be exercisable by the relevant Chargor. The relevant Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Investments subject only to the proviso contained in paragraph 8.3.1(a) above.

8.4 Limited obligations of the Security Trustee

At any time when any Investments are registered in the name of the Security Trustee or its nominee, the Security Trustee shall have no duty:

- 8.4.1 to make any payment or to ensure that any dividends, distributions, interest or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee;
- 8.4.2 to verify that the amounts referred to in Clause 8.4.1 are the correct amounts paid or received;
- 8.4.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, those Investments;
- 8.4.4 to perform any obligation of a Chargor in relation to those Investments; or

- 8.4.5 to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed.

8.5 Nominee shareholders

If any Investment is not held in a Chargor's name (other than as a result of the operation of this Deed) the relevant Chargor shall procure the prompt delivery to the Security Trustee of an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Investment is held. That power of attorney shall appoint the Security Trustee and every Receiver as the attorney of the holder in relation to that Investment and shall be in a form approved by the Security Trustee.

8.6 Acquisition of Shares

Unless permitted by the terms of the Facility Documents or the Shareholders' Agreement, no Chargor shall:

- 8.6.1 acquire or enter into any agreement to acquire, any Shares; or
- 8.6.2 permit the declaration of or payment of any Dividend.

8.7 Circulars

Each Chargor shall on reasonable request deliver to the Security Trustee a copy of every circular, notice, report set of documents received by it or its nominee in connection with the Investments.

8.8 Calls

Each Chargor shall pay all calls and other payments due in relation to the Investments. If any Chargor fails to do so, the Security Trustee may pay those calls or other payments on that Chargor's behalf and the Chargors shall immediately on demand reimburse the Security Trustee for any such payment.

8.9 Alteration to rights

No Chargor shall, without the prior written consent of the Security Trustee (not to be unreasonably withheld), vary or agree to any variation in voting rights attaching to the Shares and shall not cause or permit any of the Shares to be consolidated, sub-divided or converted.

8.10 Other obligations in respect of Shares

- 8.10.1 Each Chargor shall comply with all reasonable requests for information relating to any Shares which is within its actual or imputed knowledge and with which it is required to comply by its articles of association or by any law (including sections 793 and 820 to 825 of the Companies Act 2006).
- 8.10.2 Each Chargor shall promptly supply a copy to the Security Trustee of any information referred to in Clause 8.10.1.
- 8.10.3 Each Chargor shall comply with all other material conditions and obligations assumed by it in respect of any Share.

9 CHATTELS

9.1 Maintenance

Each Chargor shall:

- 9.1.1 keep all its Chattels in good repair, working order and condition as necessary for performance of its function in such Chargor's business;
- 9.1.2 give the Security Trustee such information concerning the location, condition, use and operation of its Chattels as the Security Trustee may reasonably require;
- 9.1.3 permit any persons designated by the Security Trustee to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and
- 9.1.4 not permit any Chattels to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

10 ACCOUNTS

10.1 Undertakings

Subject to the terms of the Facility Agreement, each Chargor shall:

- 10.1.1 not open or maintain any account other than the Accounts without the Security Trustee's prior written consent;
- 10.1.2 except as regards any account maintained with the Security Trustee, deliver to the Security Trustee details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;
- 10.1.3 promptly upon reasonable request by the Security Trustee, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and
- 10.1.4 not permit or agree to any material variation of the terms and conditions relating to any Account or close any Accounts without the prior written consent of the Security Trustee, not to be unreasonably withheld.

10.2 Operation of the Accounts

- 10.2.1 Subject to the terms of the Facility Documents, prior to the occurrence of a Default that is continuing each Chargor shall, in the case of any Account, be entitled to withdraw or transfer any sum standing to the credit of such Account.
- 10.2.2 After the occurrence of a Default that is continuing, no Chargor shall be entitled to make any withdrawals or transfers from any Account without the Security Trustee's prior written consent.

10.3 Time deposits

Without prejudice to any right of set off any Secured Party may have under any other Finance Document or otherwise, if the balance of any Account constitutes a time deposit then, subject to any contrary instructions from the Security Trustee, that time deposit shall be successively redeposited for such periods and on such terms as may from time to time be agreed between the Security Trustee and each Chargor in writing (failing which agreement, for such periods and on such terms as the Security Trustee may in its discretion decide).

11 MONETARY CLAIMS

11.1 Collecting Monetary Claims

Each Chargor shall promptly get in and realise all Monetary Claims and immediately pay the proceeds of such Monetary Claims into its Account or to such account as the Security Trustee may otherwise direct in writing and pending that payment will hold those proceeds on trust for the Security Trustee.

11.2 Dealing with Monetary Claims

No Chargor shall, without the prior written consent of the Security Trustee, assign, factor, discount, release, waive, compound or otherwise deal with any of the Monetary Claims or vary any term relating to a Monetary Claim.

12 CONTRACTS

12.1 Contracts - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, that:

- 12.1.1 each Contract to which it is a party is in full force and effect and constitutes its legal, valid, binding and enforceable obligations;
- 12.1.2 its execution and performance of the Contracts to which it is a party does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument;
- 12.1.3 it is not in default, nor, so far as it is aware, is any counterparty to a Contract in default, under the Contracts to which it is a party;

12.2 Obligations

Notwithstanding the operation of Clause 4.8 (*Contracts*), each Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations under that Contract and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

13 INSURANCES

13.1 Insurances - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date that:

- 13.1.1 each Policy is in full force and effect and on risk, all premiums payable in relation to the Policies have been paid when due and payable, and so far as it is aware there are no grounds on which any Policy may be declared void or voidable in whole or in part; and
- 13.1.2 its entry into the Policies does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it.

13.2 Preservation and enforcement of rights

Subject to the terms of the relevant Sub-Facility Agreement, each Chargor shall:

- 13.2.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business. All such insurances must be maintained with a reputable independent insurance company or underwriter;
- 13.2.2 perform all its obligations, pay all premiums and other monies payable and enforce all its rights under the Policies and take all reasonable action necessary to keep the Policies in full force and effect and otherwise preserve its rights under the Policies ;
- 13.2.3 inform the Security Trustee immediately if it commences any legal proceeding, or receives notice of the initiation of any legal proceeding, in relation to any Policy or if it becomes aware of any Policy becoming void or voidable in whole or in part;
- 13.2.4 supply the Security Trustee on request with:
 - (a) a copy of each Policy and of each certificate of insurance and cover note relating to each Policy, certified as being true and correct copies by a director of the relevant Chargor; and
 - (b) any other information and copies of any other documents relating to the Policies which the Security Trustee, or any Receiver, requests.

13.3 Amendments and waivers

No Chargor shall, without the Security Trustee's prior written consent (not to be unreasonably withheld), amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

13.4 Default interest

If any Chargor defaults in complying with Clause 13.2 (*Preservation and enforcement of rights*), any Secured Party may effect or renew any such insurance on such terms, in such name(s) and in such amounts as it reasonably considers appropriate, and all monies

expended by the Secured Parties in doing so shall be reimbursed by the Chargors to the relevant Secured Parties on demand and shall carry interest from the date of payment by the Secured Parties until reimbursed at 2% above the rate specified in Clause 2.5 of the Master Facility Agreement.

13.5 Insurance proceeds held on trust

All monies received under any Policies relating to the Security Assets shall (subject to the rights and claims of any person having prior rights to such monies), be deposited into such account notified to the applicable Chargor by the Security Trustee.

14 INTELLECTUAL PROPERTY

14.1 Intellectual Property - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each date up until the Discharge Date that it:

14.1.1 is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all of the Intellectual Property which is required by it in order to carry on its business as it is being conducted and has taken all formal and procedural actions (including but not limited to payment of fees) required to maintain such Intellectual Property; and

14.1.2 does not, in carrying on its business, infringe any Intellectual Property of any third party in any material respect.

14.2 Intellectual Property – positive undertakings

Each Chargor shall:

14.2.1 do all such acts and things as are necessary to preserve and maintain the existence and validity of its Intellectual Property that is required or desired by the Chargor for the operation of its business;

14.2.2 use all reasonable endeavours to prevent any theft, loss, destructions, infringement, unauthorised access, copying and use of its Intellectual Property and immediately after becoming aware of any such action, inform the Security Trustee of such action and take such steps as it may consider appropriate in the circumstances following discussions with the Security Trustee; and

14.2.3 make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property (required or desired by the Chargor for the operation of the business) in full force and effect and record its interest in that Intellectual Property and produce to the Security Trustee on demand receipts or other evidence that the same have been paid.

14.3 Intellectual Property – negative undertakings

No Chargor shall use or permit its Intellectual Property to be used in a way, or take any step or omit to take any step in respect of its Intellectual Property, which may materially and adversely affect the existence or value of the Intellectual Property or impair its right to use such property.

15 THE LAND REGISTRY

- 15.1 Each Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Ecclesiastical Insurance Group PLC referred to in the charges register or [conveyancer] or [specify appropriate details]".

- 15.2 Each Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"[Lender] under a facility agreement dated [] is under an obligation (subject to the terms of that facility agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of Ecclesiastical Insurance Group PLC secures those further advances."

- 15.3 No Chargor shall allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.
- 15.4 No Chargor shall permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property, without the prior written consent of the Security Trustee.
- 15.5 Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary under the Land Registration Rules 2003 to protect the Security created by or pursuant to this Deed.
- 15.6 Each Chargor shall deliver to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 15.

16 NOTICES OF ASSIGNMENT AND CHARGE

16.1 Accounts

- 16.1.1 Each Chargor shall serve a notice of charge in the form of **Error! Reference source not found.** of Schedule 9 (Form of Notice to Account Bank) on each Account Bank with whom an Account is held immediately:

- (a) upon execution of this Deed (in the case of an Additional Chargor, upon execution of the relevant Accession Deed); and
- (b) upon opening any Account after the date of this Deed.

- 16.1.2 Each Chargor shall use reasonable endeavours to procure that each Account Bank acknowledges any notice by signing and returning to the Security Trustee a letter of acknowledgement substantially in the form of **Error! Reference**

source not found. of Schedule 9 (Form of Acknowledgement from Account Bank) (as appropriate) within 7 days of the date of such notice. Any instructions contained in a notice of charge sent by a Chargor pursuant to this Clause may not be revoked or amended without the Security Trustee's prior written consent.

17 POWERS, PROTECTION AND DISCRETIONS OF THE SECURITY TRUSTEE

17.1 Rights and powers etc

All the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed on a Receiver may, after the Security constituted by this Deed has become enforceable, be exercised by the Security Trustee in respect of the Security Assets whether or not a Receiver has been or is later appointed.

17.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Security Trustee when the Security Trustee is exercising the rights, powers, authorities and discretions conferred on the Security Trustee by this Deed.

17.3 Curing of breaches and covenants

If any Chargor fails to comply with any provision of this Deed, then each Chargor shall allow and hereby authorises the Security Trustee or its nominee to do all such acts and things and take such action on behalf of any Chargor as may be necessary to secure compliance with that provision without becoming liable as a mortgagee in possession.

17.4 Indemnity

Each Chargor shall indemnify the Security Trustee against all losses, costs, charges and expenses incurred by the Security Trustee as a result of the failure by any Chargor to comply with any provision of this Deed and in connection with the exercise by the Security Trustee or its nominee of their respective rights contained in Clause 17.3 (*Curing of breaches and covenants*).

17.5 Expenses so incurred

All monies expended and all costs incurred by the Security Trustee or its nominee in carrying out any of their respective powers and discretions referred to in Clause 17.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Security Trustee or its nominee, shall be secured by this Security and shall be payable on demand by the Chargors to the Security Trustee.

18 ENFORCEMENT OF SECURITY

18.1 Timing

The Security created by this Deed will be immediately enforceable at any time after the occurrence of an Event of Default (or otherwise where requested of the Security Trustee by a Chargor).

18.2 Enforcement

After the Security constituted by this Deed has become enforceable, the Security Trustee may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- 18.2.1 enforce all or any part of that Security (at any time and in any manner it sees fit);
- 18.2.2 appoint a Receiver to all or any part of the Security Assets;
- 18.2.3 appoint one or more persons as an Administrator of any Chargor in accordance with Schedule B1 of the Insolvency Act;
- 18.2.4 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);
- 18.2.5 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into the name of its nominee;
- 18.2.6 exercise in relation to any Security Asset all the powers, authorities and things which it would be capable of exercising if it were the absolute legal and beneficial owner of that Security Asset;
- 18.2.7 whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;
- 18.2.8 subject to paragraph 4.13.3, by written notice to each and any of the Chargors convert the floating charge created by Clause 4.12 (Floating Charge) into a fixed charge as regards any assets specified in that notice;
- 18.2.9 exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets;
- 18.2.10 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
 - (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the relevant Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 21.1 (*Order of application*).

18.3 Statutory powers

- 18.3.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- 18.3.2 The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.
- 18.3.3 The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the Security constituted by this Deed has become enforceable and such powers are extended by this Deed so as to authorise the Security Trustee to make any lease or agreements for lease, accept surrenders of leases and grant options on such terms as the Security Trustee may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).
- 18.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "Mortgagor" will include any incumbrancer deriving title under a Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.
- 18.3.5 No Chargor shall have, at any time up until the Discharge Date, the power pursuant to section 99 of the LPA to make any Lease in respect of any Real Property without the prior written consent of the Security Trustee unless permitted pursuant to the terms of the Facility Documents.
- 18.3.6 The restrictions contained in section 93 and section 103 of the LPA shall not apply to the Security constituted by this Deed.
- 18.3.7 Each Receiver and the Security Trustee is entitled to all the rights, powers and privileges and immunities conferred by the LPA and the Insolvency Act on mortgagees and Receivers.
- 18.3.8 Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

18.4 Access on enforcement

- 18.4.1 At any time after the Security constituted by this Deed has become enforceable, each Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Security Asset and for that purpose to enter on any premises where a Security Asset is situated (or where any Secured Party reasonably believes a Security Asset to be situated) without incurring any liability to any Chargor for, or by any reason of, that entry.
- 18.4.2 At all times, each Chargor must use its best endeavours to allow any Secured Party access to any premises for the purpose of Clause 18.4.1 (obtaining any

necessary consents or permits of other persons) and ensure that its employees and officers do the same.

19 RECEIVER

19.1 Appointment of Receiver

19.1.1 After the Security constituted by this Deed has become enforceable the Security Trustee may without prior notice, appoint:

- (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
- (b) two or more Receivers of separate parts of the Security Assets; or
- (c) appoint another person(s) as an additional Receiver(s).

19.1.2 Any appointment under paragraph 19.1.1 above may be by deed, under seal or in writing under its hand.

19.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.

19.1.4 At any time, if so requested by a Chargor, without further notice, the Security Trustee may appoint a Receiver to all or any part of the Security Assets as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

19.2 Statutory powers of appointment

The powers of appointment of a Receiver pursuant to Clause 19.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed), the Insolvency Act or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.

19.3 Removal

The Security Trustee may from time to time by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver who has been removed for any reason.

19.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) and (8) of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

19.5 Agent of the Chargors

19.5.1 A Receiver will be deemed to be the agent of the Chargors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly

appointed by a mortgagee under the LPA. Each Chargor is solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

19.5.2 No Secured Party will incur any liability (either to the Chargors or to any other person) by reason of the appointment of a Receiver or for any other reason.

19.5.3 No Receiver shall at any time act as agent for any other Secured Party.

20 POWERS OF RECEIVER

20.1 Statutory powers

20.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of any Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver (or a receiver and manager) appointed under the LPA or the Insolvency Act.

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

20.2 Additional powers

In addition to those powers, rights and discretions set out in paragraphs 20.1.1(a) and 20.1.1(b) above, a Receiver shall have the following rights, powers and discretions:

20.2.1 Possession

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

20.2.2 Carry on business

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit.

20.2.3 Protection of assets

A Receiver may:

- (a) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;

- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on any Real Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

20.2.4 Employees

- (a) A Receiver may appoint and discharge managers, directors and secretaries for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

20.2.5 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Chargor.

20.2.6 Let, hire or lease

A Receiver may:

- (a) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- (c) exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of any Chargor or otherwise.

20.2.7 Registration

A Receiver may use any Chargor's name to effect any registration or election for tax or other purposes.

20.2.8 Insurances

A Receiver may effect, review or vary insurances.

20.2.9 Borrowing

A Receiver may for the purposes of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

20.2.10 Advance credit

A Receiver may advance credit, in the ordinary course of any Chargor's business, to any person.

20.2.11 Make calls

A Receiver may make, or require the directors of any Chargor to make such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

20.2.12 Compromise, legal action and mediation

A Receiver may:

- (a) settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;
- (b) bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and
- (c) refer to mediation any question in relation to any Security Asset that he thinks fit.

20.2.13 Subsidiaries

A Receiver may:

- (a) promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock,

convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and

- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

20.2.14 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

20.2.15 Environment

A Receiver may conduct and complete all investigations studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Trustee or otherwise and comply with all lawful orders and directives relating to Environmental Law.

20.2.16 Mediation

A Receiver may refer to mediation any question in relation to any Security Asset that he thinks fit.

20.2.17 Delegation

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

20.2.18 Lending

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

20.2.19 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Security Trustee or any Receiver under or by virtue of this Deed or by law;
- (b) exercise every power which the Receiver in its absolute discretion considers necessary for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of the Security created by this Deed or the realisation of any Security Asset;
- (c) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset;

- (d) do any other acts and things it lawfully may do as agent for any Chargor;
and
- (e) use the name of any Chargor for any of the purposes set out in this Clause 20.

20.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

20.4 Powers to be exercisable by the Security Trustee

- 20.4.1 The Security Trustee may exercise all powers granted by the Receiver by this Deed whether as attorney of any Chargor or otherwise.
- 20.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Trustee as provided in Clause 18.3 (Statutory powers) or otherwise and so that, inter alia, such powers are and remain exercisable by the Security Trustee in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Trustee is from time to time subsisting.

20.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

- 20.5.1 the powers conferred on the Receiver by the Act and those powers listed in Schedule 1 of the Insolvency Act; and
- 20.5.2 the powers conferred by this Clause 20,

the powers conferred by this Clause 20 shall prevail.

21 APPLICATION OF PROCEEDS

21.1 Order of application

Subject to Clause 21.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Trustee pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 21, the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 21), in the following order:

- 21.1.1 in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- 21.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed;

21.1.3 in payment to the Security Trustee for application in accordance with the Security Trust Deed; and

21.1.4 the balance (if any) will be paid to the Chargor or other person entitled to it or applied as required by law.

21.2 Prospective liabilities

Following enforcement of any of the Transaction Security the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under Clause 21.1 (Order of application) in respect of:

21.2.1 any sum to the Security Trustee, any Receiver or any Delegate; and

21.2.2 any part of the Secured Liabilities,

21.2.3 any sum that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

21.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 21.1 (*Order of application*) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Trustee's discretion in accordance with the provisions of this Clause 21.3.

21.4 Currency Conversion

21.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Trustee may convert any monies received or recovered by the Security Trustee from one currency to another, at a market rate of exchange.

21.4.2 The obligations of each Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

21.5 Permitted Deductions

The Security Trustee shall be entitled, in its discretion:

21.5.1 to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and

21.5.2 to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

22 PROTECTION OF PURCHASERS

22.1 No purchaser or other person dealing with any Secured Party shall be bound to enquire:

- 22.1.1 whether the Secured Liabilities have become due and/or payable;
- 22.1.2 whether any event has happened upon which any of the powers conferred by this Deed may have arisen or be exercisable or is being properly exercised;
- 22.1.3 whether any money remains due under the Finance Documents; or
- 22.1.4 how any money paid to that Secured Party is to be applied.

22.2 No purchaser dealing with any Secured Party or the Security constituted by this Deed is to be concerned to enquire whether any power exercised or purported to be exercised by the Secured Parties has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Secured Parties. Any such sale or dealing is deemed to be within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

22.3 The receipt of any Secured Party shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, any Secured Party may do for such consideration, in such manner and on such terms as it thinks fit.

23 LIABILITY OF SECURITY TRUSTEE AND RECEIVER

23.1 Liability

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:

- 23.1.1 taking possession of or realising all or any part of the Security Assets; or
- 23.1.2 taking any action permitted by this Deed,

be liable to any Chargor or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, default, omission or misconduct of the Security Trustee, any Receiver or their respective Delegates and sub-delegates in relation to the Security Assets or otherwise.

23.2 Exoneration

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates shall have any duty:

- 23.2.1 to perform any Chargor's obligations or exercise any rights in relation to any Security Asset;
- 23.2.2 to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;
- 23.2.3 to take up any offer in relation to any Security Asset;

- 23.2.4 to investigate, appraise or report on the status, propriety or validity of the acts of the Receiver or Security Trustee;
- 23.2.5 to give any notification to anyone in relation to any Security Asset; or
- 23.2.6 to take any action to enforce any other person's obligations as regards any Security Asset.

23.3 Protection of the Receiver

The Receiver shall be entitled to all the rights, powers, privileges and immunities which the LPA confers on mortgagees and receivers duly appointed under the LPA.

24 POWER OF ATTORNEY

- 24.1 Each Chargor, by way of security for the performance of its obligations under this Deed, irrevocably and severally appoints the Security Trustee, each Receiver and each of their respective Delegates and sub-delegates to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to, following the occurrence of an Event of Default:

- 24.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;
- 24.1.2 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required for:
 - (a) carrying out any obligation imposed on any Chargor by this Deed or any agreement binding on any Chargor to which the Security Trustee is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Security Assets); and
 - (b) enabling the Security Trustee and any Receiver to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by law (including, after the Security constituted by this Deed has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets);
- 24.1.3 each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers under this Deed; and
- 24.1.4 each Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 24) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of any Chargor.

25 DELEGATION AND DISCRETION

25.1 Delegation

- 25.1.1 The Security Trustee and/or any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which

are conferred and are exercisable by it under this Deed to any person or persons on such terms and conditions as it sees fit.

25.1.2 No such delegation pursuant to this Clause 25 shall preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or a Receiver itself or any subsequent delegation or revocation of such power, authority or discretion.

25.1.3 Neither the Security Trustee nor any Receiver will have any liability to any Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

25.2 Discretion

Any right or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

26 EFFECTIVENESS OF SECURITY

26.1 Continuing Security

The Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

26.2 Cumulative rights

The Security created by or pursuant to this Deed and the rights, powers and remedies of the Security Trustee under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Security Trustee may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Security Trustee shall not be obliged before exercising any such rights, powers or remedies:

26.2.1 to make any demand of, or take any action or obtain any judgment in any court against, any Chargor;

26.2.2 to make or file any claim or proof in winding-up or dissolution of any Chargor; or

26.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

26.3 No merger of Security

No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Security Assets shall merge with the Security constituted by this Deed.

26.4 No prejudice

The Security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Trustee or by any variation of the

terms of the trust upon which the Security Trustee holds the Security created by or pursuant to this Deed or by any other thing which might otherwise prejudice that Security.

26.5 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Security Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

26.6 Partial invalidity

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

26.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

26.7 Tacking

26.7.1 For the purposes of section 94(1)(c) of the LPA and section 49(3) of the Land Registration Act 2002, the Security Trustee confirms on behalf of the Secured Parties that the Secured Parties will comply with their obligations to make further advances under the relevant Sub-Facility Agreement subject to the terms of the Finance Documents (as defined by such Sub-Facility Agreement).

26.7.2 Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the charges register of any registered land forming part of the Real Property.

26.8 Further assurance

26.8.1 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.

26.8.2 Each Chargor shall promptly, at its own cost, do whatever the Security Trustee requires:

- (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
- (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;

(c) to facilitate the exercise of any rights, powers and remedies vested in the Security Trustee or any Receiver (or their respective Delegates) by this Deed and/or by the law; and/or

(d) to facilitate the realisation of the Security Assets.

27 PRIOR SECURITY INTERESTS

27.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed, the Security Trustee may redeem such prior Security or procure the transfer of such Security to itself.

27.2 The Security Trustee may settle and agree the accounts of the holder of the prior Security and any accounts so settled and agreed will (in the absence of manifest error) be conclusive and binding on the Chargors.

27.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargors to the Security Trustee on demand together with accrued interest on such sums as well as before judgement at 2% above the rate specified in Clause 2.5 of the Master Facility Agreement from the time or respective times of the same having been paid or incurred until payment of such sums (as well as after as before judgment).

28 SUBSEQUENT SECURITY INTERESTS

If the Security Trustee receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security Asset or other interest other than as permitted by the Facility Documents affecting the Security Assets, it may open a new account for the relevant Chargor in its books. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Security Trustee gives express written notice to the contrary to the Chargors, all payments made by the relevant Chargor to the Security Trustee will, as from that time, be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Liabilities.

29 SUSPENSE ACCOUNT

29.1 Contingencies

If the Security constituted by this Deed, is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account in which event, Clause 29.2 (*Suspense account*) shall apply to such proceeds.

29.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the absolute discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

30 RELEASE OF SECURITY

- 30.1 Upon the occurrence of the Discharge Date, or, if the related asset or Chargor is subject to a disposal permitted by the relevant Sub-Facility Agreement or the Shareholders' Agreement, the Security Trustee shall, at the request and cost of the Chargors, release and cancel the Security constituted by this Deed and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case without recourse to, or any representation or warranty by, Security Trustee or any of its Delegates.
- 30.2 Following any discharge of any Chargor made by the Security Trustee, in reliance on any payment or security, the Security Trustee may retain the Security constituted by this Deed (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the relevant Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Security Trustee may retain the Security constituted by this Deed for as long as it sees fit.

31 SET-OFF

The Security Trustee may set off any matured obligation due from any Chargor under this Deed (to the extent beneficially owned by the Security Trustee) against any matured obligation owed by the Security Trustee to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

32 FINANCIAL COLLATERAL

- 32.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Trustee shall, upon the Security created by this Deed becoming enforceable pursuant to Clause 18.2 and to the extent permitted by the Regulations, have the right to appropriate all or any part of the Security Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Trustee may in its absolute discretion determine.
- 32.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 32.1 above shall be:
- 32.2.1 in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;
 - 32.2.2 in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Trustee could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at its spot rate of exchange for such purchase in the Relevant Market at or about 11:00 a.m. on that date; or
 - 32.2.3 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index,

independent valuation or as determined by such other method as the Security Trustee may select.

- 32.3 The Parties agree that the method of valuation provided for in this Clause 32 (*Financial collateral*) is commercially reasonable for the purposes of the Regulations.

33 CURRENCY

33.1 Relevant Currency

Each Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

33.2 Receipt in wrong currency

If at any time the Security Trustee receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Security Trustee of the amount in the Relevant Currency which the Security Trustee is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at its spot rate of exchange for such purchase in the Relevant Market at or about 11:00 a.m. on that date.

33.3 Currency indemnity

- 33.3.1 If any sum due from a Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against any Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

each Chargor shall, as an independent obligation, within three Business Days of demand, indemnify the Security Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of receipt of that Sum.

- 33.3.2 Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

34 PAYMENTS TO BE MADE WITHOUT DEDUCTION

34.1 No deductions

All sums payable by each Chargor under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Security Trustee may designate. All such payments shall be made in full without set-off of any sum owing by the Security Trustee to any Chargor or counterclaim and free and clear of any deductions of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

34.2 Grossing-up

If at any time any Chargor is required by law to make any deduction or withholding from any payment due from that Chargor to the Security Trustee, that Chargor shall simultaneously pay to the Security Trustee whatever additional amount is necessary to ensure that the Security Trustee receives a net sum equal to the payment it would have received had no deduction or withholding been made.

35 CERTIFICATES AND DETERMINATIONS

A certificate or determination by the Security Trustee or a Receiver of a rate or an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

36 ASSIGNMENT AND TRANSFER

36.1 Chargors consent to assignment/transfer by Security Trustee

Each Chargor consents to the assignment and/or transfer by the Security Trustee to any Affiliates of the Security Trustee any one or more of its rights and/or obligations under this Deed. The Security Trustee may, without consulting with or obtaining consent from any Chargor at any time charge, assign or otherwise create Security in or over its rights, benefits and interests under this Deed to secure any obligations of any Secured Party.

36.2 No assignment/transfer by Chargors

No Chargor may assign or transfer any one or more of its rights and/or obligations under this Deed.

37 INDEMNITY TO THE SECURITY TRUSTEE

37.1 Each Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

- 37.1.1 any failure by any Chargor to comply with its obligations under Clause 38 (*Costs and expenses*);
- 37.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 37.1.3 the taking, holding, perfection, preservation, protection or enforcement of the Security constituted under this Deed;
- 37.1.4 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee, each Receiver and their Delegate and sub-delegates by this Deed or by law;
- 37.1.5 any default by any Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 37.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents following the occurrence of an Event of Default; or

- 37.1.7 acting as Security Trustee, Receiver or Delegate under this Deed or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or Delegate's gross negligence or wilful misconduct).

38 COSTS AND EXPENSES

38.1 Transaction expenses

The Chargors and the Security Trustee shall bear their own costs for all costs and expenses (including legal fees) in connection with the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and the Security constituted by this Deed, and any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) relating to a Finance Document or a document referred to in any of them.

38.2 Enforcement and preservation costs

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed and any proceedings instituted by or against any Secured Party as a consequence of taking or holding the Security constituted by this Deed or enforcing these rights.

39 MISCELLANEOUS

39.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by each Chargor and the Security Trustee.

39.2 Third party rights

Other than any Secured Party a person who is not a Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

39.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

39.4 Counterparts

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

40 NOTICES

40.1 Communications in writing

A notice given to a party under or in connection with this Deed shall be in writing and shall be delivered by hand or sent by pre-paid first-class post, recorded delivery or special delivery in each case to that party's address, or sent by email to that party's email address, in each case as specified in clause this Deed (or to such other address or email address number as that party may notify to the other party in accordance with this Deed).

40.2 Addresses

40.2.1 The addresses for service of notices are:

(a) in the case of each Chargor:

Address: its registered office address for the time being

Email: s.astley@lloydwhyte.com

Attention: Stephen Astley

(b) in the case of the Security Trustee at:

Address: its registered office address for the time being

Email: legal@ecclesiastical.com

Attention: Legal and Secretarial Team

40.2.2 A party may change its details for service of notices as specified in clause 40.2.1 by giving notice (provided that in the case of a change to the party's postal address the new address is an address in the United Kingdom). Any change notified pursuant to this clause shall take effect at 9:00 a.m. on the later of:

- (a) the date, if any, specified in the notice as the effective date for the change; and
- (b) the date five Business Days after deemed receipt of the notice of change.

40.3 Delivery

40.3.1 A notice is deemed to have been received (provided that all other requirements in this clause have been satisfied):

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;
- (b) if sent by pre-paid first class post or another next working day delivery service providing proof of delivery, at 9:00 a.m. on the second Business Day after posting or at the time recorded by the delivery service; or
- (c) if sent by email, one hour after the time of transmission,

provided that if deemed receipt under the previous paragraphs of this clause 40.3.1 would occur outside Usual Business Hours, the notice shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this clause, "Usual Business Hours" means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice (which, in the case of service of a notice by email shall be deemed to be the same place as is specified for service of notices on the relevant party by hand or post).

- 40.3.2 This clause 40 does not apply to the service of any proceedings or other documents in any legal action, in respect of which the Lender will not accept fax or electronic service.

41 GOVERNING LAW AND JURISDICTION

41.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

41.2 Jurisdiction of English courts

- 41.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 41.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

This Deed is executed as a deed by each Original Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.

SCHEDULE 1 – ORIGINAL CHARGORS

Company Name	Registered Number	Registered Address	Jurisdiction
Insurance Broking Finance Limited	04981657	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Lloyd & Whyte Limited	03686765	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Lloyd and Whyte (Financial Services) Limited	02092560	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Medical Money Management (General Insurance Brokers) Limited	01115395	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
The Medical Insurance Advisory Bureau Limited	07217140	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales

SCHEDULE 2 - THE SHARES

Chargor	Name of Company	Registered Number	Description of Shares (class and nominal value)	Amount of Shares
Lloyd & Whyte Group Limited	Insurance Broking Finance Limited	04981657	Ordinary shares of £1	100
Lloyd & Whyte Group Limited	Lloyd & Whyte Limited	03686765	Ordinary shares of £1	145,000
Lloyd & Whyte Group Limited	Lloyd and Whyte (Financial Services) Limited	02092560	Ordinary shares of £1	11,000
Lloyd & Whyte Group Limited	Medical Money Management (General Insurance Brokers) Limited	01115395	Ordinary shares of £10	10,000
Lloyd & Whyte Group Limited	The Medical Insurance Advisory Bureau Limited	07217140	A Ordinary Shares of £1	18,000
Lloyd & Whyte Group Limited	The Medical Insurance Advisory Bureau Limited	07217140	B Ordinary Shares of £1	2,000
Lloyd & Whyte Group Limited	PPS GI Limited	11043720	Ordinary shares of £1	1

SCHEDULE 3 - PROPERTIES

Part 1 - Mortgaged Property

Intentionally left blank

Part 2 - Excluded Property

Chargor	Description of Property	Title Number
Lloyd & Whyte Group Limited	Leasehold of Affinity House East, Bindon Road, Taunton, Somerset, TA2 6AA dated 23 October 2015	ST325268
Lloyd & Whyte Group Limited	Leasehold of Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA dated 23 October 2015	ST325267

SCHEDULE 4 - ACCOUNT DETAILS

Name of Account Bank	Name of Account Holder	Account Name	Sort Code	Account Number	Currency
Lloyds Bank plc	Lloyd & Whyte Limited	ACQUISITION ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Insurance Broking Finance Limited	IBF LIMITED	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	L&W HERITAGE CLIENT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Group Limited	LLOYD & WHYTE GROUP LTD	██████	██████	GBP
Lloyds Bank plc	Lloyd and Whyte Financial Services Limited	LW FINANCIAL SERVICES ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Lloyd and Whyte (Financial Services) Limited	LW FS PENSION ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	LW LTD - CLIENT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	LW LTD OFFICE	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance Brokers) Limited	MMM GIB LTD- STATUTORY TRUSTCLIENT A	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance Brokers) Limited	MMM OFFICE	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance	MMM SCHEMES	██████	██████	GBP

	Brokers) Limited				
Lloyds Bank plc	Lloyd & Whyte Group Limited	SOCIAL COMMITTEE			GBP
Lloyds Bank plc	Lloyd & Whyte Limited	Heritage Client account			GBP
Lloyds Bank plc	The Medical Insurance Advisory Bureau Limited	Business Account			GBP

SCHEDULE 5 - INSURANCE POLICIES

Insurance policy	Insured	Insurer	Policy number
Office (Office Contents, Tenant's Improvements and Decorations and Legal Expenses)	Lloyd & Whyte Ltd Lloyd & Whyte Financial Services Ltd Lloyd & Whyte Group Ltd Medical Money Management (General Insurance Brokers) Ltd	Zurich Insurance plc	002/2P05/FK585025/4
Cyber	Lloyd & Whyte Group Ltd	Beazley Solutions Ltd	W3414219PNBR
Computer	Lloyd & Whyte Group Ltd	Zurich Insurance plc	GH587375
Management Risks Bespoke Policy	The Medical Insurance Advisory Bureau Limited	Markel International Insurance Company Limited	A72327/0419
Cyber	The Medical Insurance Advisory Bureau Limited	CFC Underwriting Limited/Lloyds	ESH031145785
Employer's Liability Insurance	The Medical Insurance Advisory Bureau Limited	Aviva Insurance Limited	97OSP3112566
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd	Willis Towers Watson	35815P18

	The Medical Insurance Advisory Bureau Limited		
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd; Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd The Medical Insurance Advisory Bureau Limited	Willis Towers Watson	40960P18
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd The Medical Insurance Advisory Bureau Limited	Willis Towers Watson	38726P18

SCHEDULE 6
INTELLECTUAL PROPERTY

Trademarks

LLOYD & WHYTE (trademark number 004598521)

Domain Names

lloydwhyte.com

lloydwhyte.co.uk

lloydandwhyte.com

lloydandwhyte.co.uk

reedways.co.uk

medical-money.co.uk

miab.co.uk

SCHEDULE 7

FORM OF DEED OF ACCESSION

THIS DEED is dated [] between:

- 1 [•] a company incorporated in England and Wales under registered number [•] whose registered office is [•] (the "Additional Chargor"); and
- 2 **ECCLESIASTICAL INSURANCE GROUP PLC** as Security Trustee for and on behalf of the Secured Parties (the "Security Trustee").

BACKGROUND

- A The Additional Chargor is a Subsidiary of [name of relevant Original Chargor].
- B The Parent and others has entered into a debenture dated [INSERT DATE] (the "Debenture") between the Parent, the Chargors under and as defined in the Debenture and the Security Trustee.
- C The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Debenture.
- D The Security Trustee and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 Definitions and interpretation

Terms defined in the Debenture have the same meaning in this deed unless given a different meaning in this Deed. This deed is a Finance Document.

2 Accession and covenant to pay

2.1 With effect from the date of this Deed the Additional Chargor:

- 2.1.1 will become a party to the Debenture as a Chargor; and
- 2.1.2 will be bound by all the terms of the Debenture which are expressed to be binding on a Chargor.

2.2 The Additional Chargor hereby covenants with the Security Trustee that it will on demand pay, discharge and satisfy all Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

3 Grant of security

3.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges:

- 3.1.1 by way of a first legal mortgage, all the Properties which are listed in schedule 1 (*Properties currently owned*) to this Deed (the "Mortgaged Property") owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use the Mortgaged Property owned by it; and

- 3.1.2 (to the extent that they are not the subject of a mortgage under paragraph 3.1.1 above) by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use Real Property owned by it.
- 3.1.3 charges to the Security Trustee, by way of first fixed charge, all its:
- 3.1.3.1 Chattels;
 - 3.1.3.2 Shares and Dividends;
 - 3.1.3.3 Monetary Claims;
 - 3.1.3.4 Intellectual Property;
 - 3.1.3.5 any beneficial interest, claim or entitlement it has in any pension fund;
 - 3.1.3.6 any and all Related Rights;
 - 3.1.3.7 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
 - 3.1.3.8 its goodwill and uncalled capital; and
 - 3.1.3.9 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation;
- 3.1.4 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Accounts, and to the extent that any Account are not effectively assigned by this paragraph, charges by way of first fixed charge all of its rights and interest in and to the Accounts;
- 3.1.5 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Rental Income provided that if any of those rights are not effectively assigned by this paragraph, this assignment shall instead operate as an assignment of all sums, of any nature, which each Chargor may derive from those rights;
- 3.1.6 to the extent that they are not effectively assigned under paragraph 3.1.5 above, each Chargor charges by way of first fixed charge all of its rights described in paragraph 3.1.5 above;
- 3.1.7 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security) of the Debenture, all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts, and to the extent that they are not effectively assigned, each Chargor charges by way of a first fixed charge such relevant amounts and rights;
- 3.1.8 assigns to the Security Trustee, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security) of the Debenture, all its rights in respect of:
- 3.1.8.1 the Contracts;
 - 3.1.8.2 any letter of credit issued in its favour; and

- 3.1.8.3 any bill of exchange or other negotiable instrument held by it, and
- 3.1.9 to the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, charges to the Security Trustee by way of fixed charge all of its rights and interest in such Contract; and
- 3.1.10 to the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, charges to the Security Trustee by way of fixed charge the proceeds of any Related Rights in respect of such Contract.
- 3.2 Floating security**
- 3.2.1 The Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 3.
- 3.2.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to paragraph 3.2.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.
- 4 Miscellaneous**
- With effect from the date of this Deed:
- 4.1 the Debenture will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed); and
- 4.2 any reference in the Debenture to "this Deed" and similar phrases will include this Deed.
- 5 Counterparts**
- This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 6 Governing law**
- This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 7 Enforcement**
- 7.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 7.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

In Witness whereof this Deed has been executed by the Additional Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Security Trustee.

SCHEDULE 1 TO ACCESSION DEED

Shares

[to be completed]

SCHEDULE 2 TO ACCESSION DEED

Properties

Part A: Registered Land

Description of Property	Title Number

Part B: Unregistered Land

SCHEDULE 3 TO ACCESSION DEED

Accounts

Name of Account Bank	Name of Account Holder	Account Name	Sort Code	Account Number	Currency

SCHEDULE 4 TO ACCESSION DEED

Insurance Policies

[to be completed]

SCHEDULE 5 TO ACCESSION DEED

Intellectual Property

[to be completed]

EXECUTION PAGES TO THE ACCESSION DEED TO THE DEBENTURE

The Additional Chargor

EXECUTED as a **DEED** by
[CHARGOR]

EXECUTED by **ECCLESIASTICAL**) *DO NOT SIGN THIS IS THE EXECUTION PAGE*
INSURANCE GROUP PLC as Security Trustee) *OF A TEMPLATE*
)

[Signature of authorised signatory]

Notice details

Address:

SCHEDULE 8 FORM OF LEGAL MORTGAGE

THIS DEED is dated [] between:

- (1) [•] a company incorporated in England and Wales under registered number [•] whose registered office is [•] ("Chargor"); and
- (2) **ECCLESIASTICAL INSURANCE GROUP PLC** as Security Trustee for and on behalf of the Secured Parties (the "Security Trustee").

BACKGROUND

[The/Each] Chargor enters into this Deed in connection with the Sub-Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Debenture	means the debenture dated [] granted by, amongst others, [the/each] Chargor in favour of the Security Trustee;
Sub-Facility Agreement	means the sub-facility agreement dated [INSERT DATE] between [•] (as borrower) and [•] (as lender);
Mortgaged Property	means any freehold, leasehold or immovable property specified in the Schedule 1 (<i>Mortgaged Property</i>).

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clause 2.1.1 to 2.1.9 (inclusive), clause 2.2 to 2.13 (inclusive), clause 5.1 and 5.2 and clauses 15.4 to 40 (inclusive) are incorporated into this Deed as if references in those clauses to the Debenture were references to this Deed and if all references in those clauses to Security Asset were references to the Mortgaged Property.

3 UNDERTAKING TO PAY

[The/Each] Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

- 4.1 All Security created under this Deed:

- 4.1.1 is created in favour of the Security Trustee;
- 4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this

Deed, would cause such Security to be unlawful or prohibited by any applicable law; and

4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Subject to Clause 30 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

4.3 [The/Each] Chargor charges by way of first legal mortgage all the Mortgaged Property and all rights under any licence or other agreement or document which gives [the/each] Chargor a right to occupy or use the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

[The/Each] Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Ecclesiastical Insurance Group PLC referred to in the charges register or [conveyancer] or [specify appropriate details]".

6 FURTHER ADVANCES

[The/Each] Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"[Lender] under a facility agreement dated [] is under an obligation (subject to the terms of that facility agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of Ecclesiastical Insurance Group PLC secures those further advances."

7 MISCELLANEOUS

Other than the Secured Parties a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

8 COUNTERPARTS

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

9 GOVERNING LAW AND JURISDICTION

9.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

9.2 Jurisdiction of English courts

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

9.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

THIS DEED is executed as a deed by [the/each] Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date stated at the beginning of this Deed.

EXECUTION PAGES TO THE LEGAL MORTGAGE

EXECUTED as a **DEED** by
[CHARGOR]

EXECUTED by **ECCLESIASTICAL**) *DO NOT SIGN THIS IS THE EXECUTION PAGE*
INSURANCE GROUP PLC as Security Trustee) *OF A TEMPLATE*
)

[Signature of authorised signatory]

Notice details

Address:

SCHEDULE 9
FORM OF NOTICE AND ACKNOWLEDGEMENT FOR ACCOUNT BANK

Form of Notice to Account Bank

[On the Letterhead of the relevant Chargor]

To: [name and address of third party bank]

Attention: [REDACTED]

Copy to: Ecclesiastical Insurance Group PLC

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, Lloyd & Whyte Group Limited (as a chargor) and Ecclesiastical Insurance Group PLC (the "Security Trustee")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge)] in favour of the Security Trustee all our present and future rights and interest in and to account number(s) **[insert details of accounts charged]** in our name (the "**Charged Account(s)**") together with all money from time to time standing to the credit of that Charged Account(s), all interest accruing in relation to such Charged Account(s) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Charged Account(s), all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Charged Account(s), including sale proceeds and money paid by way of damages, award or judgment made in connection with that Charged Account(s); and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Charged Account(s).

We hereby irrevocably authorise and instruct you to:

- 1 Disclose to the Security Trustee on request to you by the Security Trustee, any information relating to the Charged Account(s) without any reference to, or further authority from, us, including, but not limited to, supplying the Security Trustee with copies of statements if requested by the Security Trustee.
- 2 Operate the Charged Account(s) in accordance with the existing Account Mandate until you have been given notice pursuant to paragraph 2.1 of this Notice:
 - 2.1 comply with the written directions of the Security Trustee in relation to the Charged Account(s) following receipt by you of a notice that a Default has occurred and is continuing ("**Default Notice**"). For the avoidance of doubt, upon receipt of a Default Notice you should only permit monies to be drawn on or debited to the Charged Account(s) in accordance with the written directions of the Security Trustee without any enquiry by you as to the justification of such directions or instructions or the validity of them;
 - 2.2 debit the Charged Account(s) with your costs and charges in connection with the opening, maintenance and operation of the Charged Account(s) both before and after receipt by you of a Default Notice; and

- 2.3 exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s) up until the time that you receive a Default Notice.
- 3 We shall at all times indemnify you and keep you indemnified fully and effectively from and against all losses, damages, liabilities and costs and expenses that you may incur in connection with or by reason of you complying with the terms of this Notice or in relation to the Charged Account(s).
- 4 We hereby agree and confirm that:
- 4.1 the instructions and authorisations which are contained in this Notice shall remain in full force and effect until revoked or varied with the specific prior written consent of the Security Trustee; and
- 4.2 any direction, notice or consent that is given or purports to be given for and on behalf of the Security Trustee shall be conclusive evidence for all purposes.
- 5 This Notice shall be governed by and construed in accordance with English law.
- 6 This Notice is countersigned by the Security Trustee to evidence its agreement to the content of it, including, but not limited to, the indemnity set out in paragraph 3.
- 7 Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Security Trustee officer]** at **[insert address details of Security Trustee]** with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[Chargor]**

Part 2

Form of Acknowledgement from Account Bank

To: Ecclesiastical Insurance Group PLC

Attention: [REDACTED]

Copy to: [Chargor]

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, Lloyd & Whyte Group Limited (as a chargor) and Ecclesiastical Insurance Group PLC (the "Security Trustee")

Dear Sirs

- 1 We acknowledge receipt of the notice dated [Insert date] from [REDACTED], (the "Notice") and all terms defined in the Notice shall have the same meaning herein.
- 2 We agree that until receipt by us of written notice from you revoking the arrangements set out in the Notice we will comply with the terms of the Notice to the extent permitted by law.
- 3 Upon receipt of a Default Notice from you, we shall not exercise or seek to assert or exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s).
- 4 We hereby confirm that we have not received any notice (other than the Notice) that [REDACTED] has assigned or charged its rights to the sums standing to the credit of the Charged Account(s) or otherwise granted any security or interest over those monies in favour of any third party.
- 5 We understand that [REDACTED] will indemnify us on the terms set out in the Notice.

6 This acknowledgement shall be governed by and construed in accordance with English law.

Yours faithfully

.....
for and on behalf of
[third party bank]

EXECUTION PAGES TO THE DEBENTURE

ORIGINAL CHARGORS

EXECUTED and **DELIVERED** as a Deed
for and on behalf of
LLOYD & WHYTE GROUP LIMITED
by a director, in the presence of:

)
)
)
)
)
)

Director
Name: STEPHEN ASTLEY

Signature of Witness:

Name:

Address: **EMILY ECCLES**

Solicitor

Occupation:

EXECUTED and **DELIVERED** as a Deed
for and on behalf of
INSURANCE BROKING FINANCE LIMITED,
by a director, in the presence of:

)
)
)
)
)
)

Director
Name: STEPHEN ASTLEY

Signature of Witness:

Name:

Address: **EMILY ECCLES**

Solicitor

Occupation:

EXECUTED and **DELIVERED** as a Deed
for and on behalf of
LLOYD & WHYTE LIMITED
by a director, in the presence of:

)
)
)
)
)
)

Director
Name: STEPHEN ASTLEY

Signature of Witness: ... [REDACTED]

Name:

Address: **EMILY ECCLES**

[REDACTED]
Solicitor

Occupation:

EXECUTED and **DELIVERED** as a Deed
for and on behalf of
LLOYD AND WHYTE (FINANCIAL SERVICES)
LIMITED
by a director, in the presence of:

)
)
)
)
)
)

Director
Name: STEPHEN ASTLEY

Signature of Witness: [REDACTED]

Name:

Address: **EMILY ECCLES**

[REDACTED]
Solicitor

Occupation:

EXECUTED and DELIVERED as a Deed
for and on behalf of
MEDICAL MONEY MANAGEMENT (GENERAL
INSURANCE BROKERS) LIMITED
by a director, in the presence of:

)
)
)
)
)
)
)

[Redacted Signature]

Director
Name: STEPHEN ASTLEY

Signature of Witness:

[Redacted Signature]

Name:

Address:

EMILY ECCLES

[Redacted Address]

Solicitor

Occupation:

EXECUTED and DELIVERED as a Deed
for and on behalf of
THE MEDICAL INSURANCE
ADVISORY BUREAU LIMITED
by a director, in the presence of:

)
)
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)
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)
)

[Redacted Signature]

Director
Name: STEPHEN ASTLEY

Signature of Witness:

[Redacted Signature]

Name:

Address:

EMILY ECCLES

[Redacted Address]

Solicitor

Occupation:

SECURITY TRUSTEE

EXECUTED as a **DEED** by)

ECCLESIASTICAL INSURANCE GROUP)

PLC in the presence of:)

.....
Director

Signature of Witness:

Name:

Address:

Occupation:

EXECUTION VERSION

CRS
CharlesRussell
Speechlys

I certify that save for material redacted pursuant
to section 859G of the Companies Act 2006,
this copy is a correct copy of the original instrument.

Signed:

Charles Russell Speechlys LLP

Dated:

1 October 2019

DATED

30 September

2019

**(1) LLOYD & WHYTE GROUP LIMITED and THE ENTITIES
LISTED IN SCHEDULE 1 (as Original Chargers)**

and

**(2) ECCLESIASTICAL INSURANCE GROUP PLC
(as Security Trustee)**

DEBENTURE

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THIS DEED is dated 30 September 2019

BETWEEN:

- (1) **LLOYD & WHYTE GROUP LIMITED**, a company incorporated and registered in England and Wales with company number 01143899, whose registered office is at Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA (the "**Parent**");
- (2) **THE ENTITIES LISTED IN Schedule 1** (together with the Parent, the "**Original Chargors**" and each a "**Original Chargor**"); and
- (3) **ECCLESIASTICAL INSURANCE GROUP PLC**, a company incorporated and registered in England and Wales with company number 01718196 whose registered office is at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, as security trustee for and on behalf of the Secured Parties (the "**Security Trustee**").

BACKGROUND:

Each Chargor enters into this Deed in connection with the Master Facility Agreement (as defined below) and all Sub-Facility Agreements.

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Accession Deed	a deed substantially in the form in Schedule 7 (<i>Form of Accession Deed</i>)
Account Bank	each bank, financial institution or other person with whom an Account is maintained
Accounts	the account(s) the details of which are specified in Parts 1 and 2 of Schedule 4 (<i>Account Details</i>) or Schedule 3 (<i>Accounts</i>) of any Accession Deed and all other accounts held with any Account Bank at any time owned or operated by a Chargor as renumbered or redesignated from time to time, each replacement account or sub-account relating to any of them, all money from time to time standing to the credit of those accounts and all interest accruing in relation to them and the debt or debts represented thereby
Additional Chargor	any person which becomes a Chargor by executing a Accession Deed
Administrator	any administrator appointed in respect of any Chargor whether by the Security Trustee, a court or otherwise
Affiliate	in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company;

Authorisation	an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
Business Day	a day other than Saturday, Sunday or a public holiday in England where banks in London are open for business
Chattels	all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of a Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them
Chargor	an Original Chargor or an Additional Chargor;
Contracts	all present and future contracts and agreements entered into by a Chargor and all guarantees, warranties and indemnities issued in relation to any Contract and any other contract designated in writing as a "Contract" by the Security Trustee
Delegate	means any delegate, agent, attorney or co-trustee appointed by the Security Trustee and/or any Receiver (as appropriate)
Discharge Date	the date on which the Security Trustee confirms in writing to any Chargor that all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising
Disposal Proceeds	any Net Proceeds required to be prepaid in accordance with the mandatory prepayment clause of a Sub-Facility Agreement
Dividends	all dividends and distributions of any kind, interest and any other income received or receivable by a Chargor in relation to any of the Shares
Event of Default	any event or circumstance specified as an event of default in a Sub-Facility Agreement
Excluded Leaseholds	any leasehold property specified in Part 2 of Schedule 3 (<i>Properties</i>)
Refinancing Facility Agreement	the refinancing facility agreement dated on or about the date of this Deed between, amongst others, each Chargor and the Original Lender
Facility Documents	the Master Facility Agreement and all Sub-Facility Agreements
Finance Documents	the Facility Documents and all Finance Documents

	defined in all Sub-Facility Agreements
Group	the Parent and each of its subsidiaries for the time being
Group Company	any member of the Group from time to time
Insolvency Act	the Insolvency Act 1986
Insurance Prepayment Proceeds	any proceeds of Policy required to be prepaid in accordance with the mandatory prepayment clause of a Sub-Facility Agreement
Intellectual Property	<p>(a) all patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests set out in Schedule 6 (<i>Intellectual Property</i>) or Schedule 6 (<i>Intellectual Property</i>) of any Accession Deed;</p> <p>(b) all present and future patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and</p> <p>(c) the benefit of all applications, licences and rights to use the assets listed in paragraphs (a) and (b) above</p>
Investments	the Shares and Dividends
Lenders	has the meaning given to it in the Master Facility Agreement
Legal Mortgage	a charge by way of legal mortgage granted by a Chargor in favour of the Security Trustee and in the form of Schedule 2 (<i>Form of Legal Mortgage</i>) in respect of all or any part of the Real Property acquired by a Chargor after the date of this Deed
LPA	the Law of Property Act 1925
Master Facility Agreement	a master acquisition facility agreement dated on or about the date of this Deed between the Parent and the Original Lender
Monetary Claims	all book and other debts and monetary claims of any nature and however arising at any time owing to a Chargor or in which it has an interest and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or

held by it in relation to the same

Mortgaged Property	any freehold, leasehold or immovable property specified in Part 1 of Schedule 3 (<i>Properties</i>) or in Schedule 2 (<i>Properties</i>) to any Accession Deed and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage
Net Proceeds	the total consideration received or receivable by any Group Company for the disposal of any shares in any Group Company or of all or any part of the business or assets of any Group Company (including the amount of any inter-company debt of any Group Company disposed of, which is repaid in connection with that disposal), but after deducting all Taxes incurred, or to be incurred, in connection with that disposal and all other reasonable costs and expenses incurred, or to be incurred, by the continuing Group Companies in connection with that disposal
Occupational Lease	any lease or licence or other right of occupation or right to receive rent to which a Real Property may at any time be subject and includes any guarantee of a tenant's obligations under the same
Original Lender	has the meaning given to it in the Master Facility Agreement
Party	a party to this Deed
Permitted Security	any Permitted Security (as such term is defined in the relevant Sub-Facility Agreement) or any Security granted with the prior written consent of the Security Trustee
Planning Legislation	any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation
Policies	<ul style="list-style-type: none">(a) each of the insurance policies described in Schedule 5 (<i>Insurance Policies</i>) or in Schedule 5 (<i>Insurance Policies</i>) of any Accession Deed;(b) each other insurance policy taken out at any time by or on behalf of a Chargor or in respect of which it has an interest or a right to claim; and(c) any other insurance policy designated as a "Policy" by the Security Trustee
Real Property	<ul style="list-style-type: none">(a) the Mortgaged Property;

- (b) any other freehold, leasehold or immovable property in which a Chargor has an interest (including, for the avoidance of doubt, an option to purchase any property); and
- (c) any buildings, erections, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraphs (a) above and (b) above and includes all Related Rights

Receiver	a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets
Regulations	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)
Related Rights	as regards any Security Asset, all present and future: <ul style="list-style-type: none"> (a) money and proceeds of any nature paid or payable in relation to that Security Asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Security Asset; (b) all rights and interests of any nature attaching to, deriving from or exercisable as a result of a Chargor's interest in or ownership or operation of that Security Asset; and (c) all rights to make a demand or claim
Relevant Currency	in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated
Relevant Market	the London Interbank Market
Rental Income	the aggregate of all amounts paid or payable to or for the account of a Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of a Real Property
Secured Liabilities	all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally as principal or surety or in any other capacity whatsoever) of each Chargor to any Secured Party under each Finance Document or otherwise together with all interest accruing in respect of any such monies, obligations and liabilities
Secured Party	means a Lender, a Receiver or Delegate

Security	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
Security Assets	all of the rights, interests and assets which from time to time are, or are expressed to be, subject to the Security created by or pursuant to this Deed
Security Documents	<p>(a) this Deed;</p> <p>(b) any other document evidencing or creating Security over any asset to secure any obligation of any Chargor to a Secured Party under the Finance Documents; and</p> <p>(c) any other document designated as such by the Security Trustee and a Chargor</p>
Security Trust Deed	the security trust deed dated on or around the date of this Deed executed by the Security Trustee in favour of the Lenders
Shares	<p>(a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by a Chargor or in which it has an interest from time to time, including (without limitation) the shares listed in Schedule 2 (<i>The Shares</i>) or in Schedule 1 (<i>The Shares</i>) of any Accession Deed;</p> <p>(b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;</p> <p>(c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise</p>
Shareholders' Agreement	a shareholders' agreement dated or about the date of this agreement between the Borrower, the Security Trustee, Matthew Mervyn Pyke and Joanna Pyke;
Sub-Facility Agreement	has the meaning given to it in the Master Facility

Agreement

Tax	any tax, levy, impost, duty or other charge, fee, deduction or withholding of a similar nature (including any penalty or interest payable in connection with the failure to pay, or delay in paying, any of these)
Transaction Security	means the Security created or evidenced or expressed to be created or evidenced under the Security Documents

2 **CONSTRUCTION**

2.1 Unless a contrary indication appears, a reference in this Deed to:

- 2.1.1 this Deed, a **"Finance Document"** or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- 2.1.2 a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- 2.1.3 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- 2.1.4 **"Security Asset", "Accounts", "Chattels", "Contracts", "Intellectual Property", "Investments", "Monetary Claims", "Policies" and "Real Property"** includes:
 - (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.1.5 **"Secured Liabilities"** is deemed to include a reference to any part of them;
- 2.1.6 the **"Security Trustee"**, a **"Chargor"**, or any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee in accordance with the Finance Documents;
- 2.1.7 a provision of law is a reference to that provision as amended or re-enacted;
- 2.1.8 the singular is deemed to include the plural and vice versa; and
- 2.1.9 a time of day is a reference to London time.

2.2 The term **"Security Trustee"** includes any subsidiary or group company or assignee of the Security Trustee granting or continuing to grant facilities or accommodation to a Chargor.

- 2.3 "Receivers" are references to receivers of whatsoever nature including, without limitation, receivers, managers and administrative receivers.
- 2.4 "Administrators" are references to administrators appointed under the Insolvency Act and include administrators appointed under the out of court procedure under the Insolvency Act.
- 2.5 Clause and Schedule headings are for ease of reference only.
- 2.6 An Event of Default is "continuing" if it has not been remedied or waived.
- 2.7 Any undertaking given by a Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of the Security Trustee.
- 2.8 The terms of the other Finance Documents and of any agreement, instrument or side letters between any parties to any Sub-Facility Agreement in relation to any Finance Document (as the case may be) are incorporated into this Deed to the extent required to ensure that any purported disposition or any agreement for the disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 2.9 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.10 Clauses 4.2 (*Land*) to 4.11 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.11 It is intended that this Deed takes effect as a deed notwithstanding the fact that a Party may only execute this Deed under hand.
- 2.12 If the Security Trustee considers that an amount paid to it under any Finance Document or in relation to any Secured Liability is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 2.13 All obligations of the Chargors under this Deed shall be joint and several.

3 UNDERTAKING TO PAY

Each Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify any Secured Party against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 Nature of the Security

4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Security Trustee;

- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If a Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) that Chargor shall notify the Security Trustee promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which that Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed; and
- (c) unless the Security Trustee otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed.

4.1.3 Each Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.

4.2 Land

Each Chargor charges:

- 4.2.1 by way of a first legal mortgage, all the Mortgaged Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use the Mortgaged Property owned by it; and
- 4.2.2 (to the extent that they are not the subject of a mortgage under paragraph 4.2.1 above) by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use Real Property owned by it.

4.3 Chattels

Each Chargor charges by way of a first fixed charge all the Chattels owned by it.

4.4 Rental Income

- 4.4.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Rental Income provided that if any of those rights are not effectively assigned by this Clause 4.4, this assignment shall instead operate as an assignment of all sums, of any nature, which each Chargor may derive from those rights.

- 4.4.2 To the extent that they are not effectively assigned under paragraph 4.4.1 above, each Chargor charges by way of first fixed charge all of its rights described in paragraph 4.4.1 above.

4.5 Investments

Each Chargor charges by way of a first fixed charge all the Shares and Dividends.

4.6 Accounts

- 4.6.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all its rights in respect of the Accounts.
- 4.6.2 To the extent that they are not effectively assigned under paragraph 4.6.1 above, each Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.7 Monetary Claims

Each Chargor charges by way of a first fixed charge all the Monetary Claims.

4.8 Contracts

- 4.8.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all its rights in respect of:
- (a) the Contracts;
 - (b) any letter of credit issued in its favour; and
 - (c) any bill of exchange or other negotiable instrument held by it.
- 4.8.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the relevant Chargor charges by way of fixed charge all of its rights and interest in such Contract.
- 4.8.3 To the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, the relevant Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.9 Insurances

- 4.9.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security), all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.
- 4.9.2 To the extent that they are not effectively assigned under paragraph 4.9.1 above, each Chargor charges by way of a first fixed charge the relevant amounts and rights described in paragraph 4.9.1 above.

4.10 Intellectual Property

Each Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.11 Miscellaneous

Each Chargor charges by way of first fixed charge:

- 4.11.1 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.11.2 any and all Related Rights;
- 4.11.3 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
- 4.11.4 its goodwill and uncalled capital; and
- 4.11.5 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation.

4.12 Floating charge

- 4.12.1 Each Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.12.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to paragraph 4.12.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.13 Crystallisation

- 4.13.1 The Security Trustee may at any time by notice in writing to each and any Chargor convert any floating charge created by that Chargor pursuant to Clause 4.12 (Floating charge) above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:
 - (a) the Security constituted by this Deed has become enforceable in accordance with Clause 18 (*Enforcement of Security*); or
 - (b) the Security Trustee reasonably considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
 - (c) the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security.
- 4.13.2 Notwithstanding paragraph 4.13.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.12 (Floating charge) will automatically and immediately (without notice) convert into a fixed charge over all of each Chargor's assets if:

- (a) any Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of any Sub-Facility Agreement;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of any Chargor or a person entitled to appoint an administrator in respect of any Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of any Chargor other than (i) a winding up petition which is stayed within 14 days of commencement or (ii) a voluntary liquidation of a Chargor which is not the Parent and with the prior written consent of the Security Trustee.

4.13.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.12 (Floating charge) may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule A1 of the Insolvency Act) under the Insolvency Act.

5 NEGATIVE UNDERTAKINGS

5.1 Negative Pledge

Save as expressly permitted under any Sub-Facility Agreement or this Deed, no Chargor shall create or permit to subsist any Security over any Security Asset other than any Permitted Security.

5.2 Disposals

Except as permitted by, and in accordance with the terms of, the relevant Sub-Facility Agreement or the Shareholders' Agreement, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, lease or otherwise dispose or purport or agree to dispose of any of the Security Assets.

6 GENERAL REPRESENTATIONS AND WARRANTIES

6.1 Representations and warranties

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, as follows:

- 6.1.1 it is the legal and beneficial owner of the Security Assets;

- 6.1.2 it has not received or acknowledged notice of any adverse claim by any person in respect of the Security Assets or any interest in them;
- 6.1.3 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Security Assets;
- 6.1.4 no facility necessary for the enjoyment and use of the Security Assets is subject to terms entitling any person to terminate or curtail its use;
- 6.1.5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Real Property; and
- 6.1.6 this Deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

6.2 Notice of breach

Each Chargor will promptly upon becoming aware of the same give the Security Trustee notice in writing of any breach of any representation or warranty set out in this Deed.

6.3 Power to remedy

- 6.3.1 If a Chargor is at any time in breach of any of its obligations contained in this Deed, the Security Trustee shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Security Trustee and its agents to do all things necessary in connection therewith.
- 6.3.2 The rights of the Security Trustee contained in this clause 6.3 are without prejudice to any other rights of the Security Trustee hereunder and the exercise by the Security Trustee of its rights under this clause shall not make the Security Trustee liable to account as a mortgagee in possession.

7 REAL PROPERTY

7.1 Acquisitions

- 7.1.1 If any Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:
 - (a) notify the Security Trustee immediately;
 - (b) immediately on request by the Security Trustee and at the cost of the Chargors, execute and deliver to the Security Trustee (as trustee for the Secured Parties) a Legal Mortgage in favour of the Security Trustee of that property;
 - (c) on request from the Security Trustee, deposit with the Security Trustee all deeds and documents of title and all local land charges, land charge and Land Registry search certificates and similar documents received by it or on its behalf;
 - (d) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and

- (e) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

7.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The relevant Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within 7 days of making the request. This clause shall not be applicable to any Excluded Leaseholds.

7.3 Notices

Each Chargor shall:

- 7.3.1 promptly give to the Security Trustee full particulars with respect to (and, if requested by the Security Trustee, a copy of) any notice, order, directive, designation, resolution or proposal which applies to any of its Real Property or to the area in which it is situate and which is issued:
 - (a) by any planning authority or other public body or authority under or by virtue of any Planning Legislation;
 - (b) pursuant to any law or regulation relating to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
 - (c) pursuant to section 146 of the LPA; or
 - (d) pursuant to some other power conferred by law;
- 7.3.2 without delay, make such objections or representations (or join with the Security Trustee in making such objections or representations) against or in respect of any such notice, order, directive, designation, resolution or proposal as the Security Trustee may reasonably direct; and
- 7.3.3 take all reasonable steps necessary to comply with each such notice, order, directive, designation, resolution or proposal.

7.4 Deposit of title deeds

Each Chargor shall on request of the Security Trustee deposit with the Security Trustee all deeds and documents of title relating to its Real Property and all local land charges, land charge and Land Registry certificates and similar documents received by it or on its behalf.

7.5 Compliance

Each Chargor shall comply in all material respect with:

- 7.5.1 all laws for the time being in force; and
- 7.5.2 all notices, orders, directives, licences, consents and assurances given or made under any law or regulation by any person,

in each case, insofar as the same relate to its Real Property or the occupation and use of its Real Property.

7.6 Investigation of title

Each Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of that Chargor to enable the Security Trustee or its lawyers to:

- 7.6.1 carry out investigations of title in relation to its Real Property; and
- 7.6.2 make such enquiries in relation to any part of its Real Property as a prudent mortgagee might carry out.

7.7 Compensation payments

Subject to the rights and claims of any person having prior rights to such compensation, all monies payable to a Chargor by way of compensation, whether under Section 25 of the Law of Property Act 1969 or under the Landlord and Tenant Acts 1927 to 1954 or otherwise, shall be paid to the Security Trustee (who shall be entitled to give good receipt for such monies) and applied in accordance with Clause 21.1 (*Order of application*) as though they were the proceeds of the enforcement of the Security constituted by this Deed, and any monies that may be received by a Chargor shall, pending such payment, be held on trust for the Security Trustee.

7.8 Power to remedy

If any Chargor fails to comply with any of the undertakings contained in this Clause 6, each Chargor shall allow the Security Trustee or its agents and contractors:

- 7.8.1 to enter any part of its Real Property;
- 7.8.2 to comply with or object to any notice served on that Chargor in respect of its Real Property; and
- 7.8.3 to take any action as the Security Trustee may reasonably consider necessary or desirable to prevent or remedy the relevant breach or to comply with or object to any such notice.

Any Chargor shall immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee and its agents and contractors incurred in connection with any action taken under this sub-clause.

8 INVESTMENTS

8.1 Deposit of title documents

Each Chargor undertakes to deposit with the Security Trustee or the Security Trustee's nominee:

- 8.1.1 on or before execution of this Deed (in the case of an Additional Chargor, on or before execution of the relevant Accession Deed), all share certificates or other documents of title relating to the Shares;
- 8.1.2 immediately upon its acquisition of any Investment, all share certificates and other documents of title or evidence of ownership relating to that Investment;

- 8.1.3 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, all share certificates and other documents of title or evidence of ownership relating to each of such items;
- 8.1.4 an updated register of members of any company in which a Chargor owns shares, evidencing the relevant Chargor as sole member and appropriately annotated in respect of this Deed; and
- 8.1.5 stock transfer forms (or other appropriate transfer instruments) signed by the relevant Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Trustee may hold all those certificates, forms and documents until the Discharge Date so that the Security Trustee may, at any time after the Security created by this Deed has become enforceable in accordance with its terms and without notice to the relevant Chargor, complete and present those stock transfer forms and any other documents to the issuers of the Security Assets for registration.

8.2 Completion of transfers

The Security Trustee is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of the relevant Chargor in favour of the Security Trustee or its nominee, using the power of attorney contained in Clause 24 (*Power of attorney*) or otherwise.

8.3 Voting and Dividends

8.3.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) subject to paragraph 8.3.2 below, each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that:
 - (i) it does so for a purpose not inconsistent with its obligations under any Finance Document; and
 - (ii) the exercise or failure to exercise those rights does not have an adverse effect on the value of the Investments and does not otherwise prejudice the Security Trustee's interests under this Deed; and
- (b) each Chargor is entitled to receive and retain all Dividends.

8.3.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Security Trustee will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment as it sees fit in its absolute discretion;
- (b) each Chargor shall comply, or procure compliance with, any directions of the Security Trustee in relation to the exercise of those rights and shall

promptly execute and deliver to the Security Trustee all forms of proxy as the Security Trustee may require in connection with the exercise of those rights; and

- (c) all Dividends shall be paid or transferred to the Security Trustee (or to its order) and any Dividends received by any Chargor shall be held by that Chargor on trust for the Security Trustee and immediately paid by it to the Security Trustee or to any nominee designated by the Security Trustee. The Security Trustee will be entitled to apply those Dividends in such manner as it sees fit.

8.3.3 At any time:

- (a) the Security Trustee may, in its absolute discretion, and without any consent or authority from the Chargors (but providing each Chargor with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Investments conferred or to be conferred on the Security Trustee pursuant to paragraph 8.3.2(a) above, provided that the Chargors shall compensate or otherwise make the Security Trustee good in respect of any loss or shortfall it may suffer good as a consequence of such election;
- (b) once a notice has been issued by the Security Trustee under paragraph 8.3.3(a) above, on and from the date of such notice, the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Investments conferred or to be conferred on it pursuant to paragraph 8.3.2(a) above or any other provision of this Deed and all such rights shall be exercisable by the relevant Chargor. The relevant Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Investments subject only to the proviso contained in paragraph 8.3.1(a) above.

8.4 Limited obligations of the Security Trustee

At any time when any Investments are registered in the name of the Security Trustee or its nominee, the Security Trustee shall have no duty:

- 8.4.1 to make any payment or to ensure that any dividends, distributions, interest or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee;
- 8.4.2 to verify that the amounts referred to in Clause 8.4.1 are the correct amounts paid or received;
- 8.4.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, those Investments;
- 8.4.4 to perform any obligation of a Chargor in relation to those Investments; or

8.4.5 to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed.

8.5 Nominee shareholders

If any Investment is not held in a Chargor's name (other than as a result of the operation of this Deed) the relevant Chargor shall procure the prompt delivery to the Security Trustee of an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Investment is held. That power of attorney shall appoint the Security Trustee and every Receiver as the attorney of the holder in relation to that Investment and shall be in a form approved by the Security Trustee.

8.6 Acquisition of Shares

Unless permitted by the terms of the Facility Documents or the Shareholders' Agreement, no Chargor shall:

8.6.1 acquire or enter into any agreement to acquire, any Shares; or

8.6.2 permit the declaration of or payment of any Dividend.

8.7 Circulars

Each Chargor shall on reasonable request deliver to the Security Trustee a copy of every circular, notice, report set of documents received by it or its nominee in connection with the Investments.

8.8 Calls

Each Chargor shall pay all calls and other payments due in relation to the Investments. If any Chargor fails to do so, the Security Trustee may pay those calls or other payments on that Chargor's behalf and the Chargors shall immediately on demand reimburse the Security Trustee for any such payment.

8.9 Alteration to rights

No Chargor shall, without the prior written consent of the Security Trustee (not to be unreasonably withheld), vary or agree to any variation in voting rights attaching to the Shares and shall not cause or permit any of the Shares to be consolidated, sub-divided or converted.

8.10 Other obligations in respect of Shares

8.10.1 Each Chargor shall comply with all reasonable requests for information relating to any Shares which is within its actual or imputed knowledge and with which it is required to comply by its articles of association or by any law (including sections 793 and 820 to 825 of the Companies Act 2006).

8.10.2 Each Chargor shall promptly supply a copy to the Security Trustee of any information referred to in Clause 8.10.1.

8.10.3 Each Chargor shall comply with all other material conditions and obligations assumed by it in respect of any Share.

9 CHATTELS

9.1 Maintenance

Each Chargor shall:

- 9.1.1 keep all its Chattels in good repair, working order and condition as necessary for performance of its function in such Chargor's business;
- 9.1.2 give the Security Trustee such information concerning the location, condition, use and operation of its Chattels as the Security Trustee may reasonably require;
- 9.1.3 permit any persons designated by the Security Trustee to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and
- 9.1.4 not permit any Chattels to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

10 ACCOUNTS

10.1 Undertakings

Subject to the terms of the Facility Agreement, each Chargor shall:

- 10.1.1 not open or maintain any account other than the Accounts without the Security Trustee's prior written consent;
- 10.1.2 except as regards any account maintained with the Security Trustee, deliver to the Security Trustee details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;
- 10.1.3 promptly upon reasonable request by the Security Trustee, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and
- 10.1.4 not permit or agree to any material variation of the terms and conditions relating to any Account or close any Accounts without the prior written consent of the Security Trustee, not to be unreasonably withheld.

10.2 Operation of the Accounts

- 10.2.1 Subject to the terms of the Facility Documents, prior to the occurrence of a Default that is continuing each Chargor shall, in the case of any Account, be entitled to withdraw or transfer any sum standing to the credit of such Account.
- 10.2.2 After the occurrence of a Default that is continuing, no Chargor shall be entitled to make any withdrawals or transfers from any Account without the Security Trustee's prior written consent.

10.3 Time deposits

Without prejudice to any right of set off any Secured Party may have under any other Finance Document or otherwise, if the balance of any Account constitutes a time deposit then, subject to any contrary instructions from the Security Trustee, that time deposit shall be successively redeposited for such periods and on such terms as may from time to time be agreed between the Security Trustee and each Chargor in writing (failing which agreement, for such periods and on such terms as the Security Trustee may in its discretion decide).

11 MONETARY CLAIMS

11.1 Collecting Monetary Claims

Each Chargor shall promptly get in and realise all Monetary Claims and immediately pay the proceeds of such Monetary Claims into its Account or to such account as the Security Trustee may otherwise direct in writing and pending that payment will hold those proceeds on trust for the Security Trustee.

11.2 Dealing with Monetary Claims

No Chargor shall, without the prior written consent of the Security Trustee, assign, factor, discount, release, waive, compound or otherwise deal with any of the Monetary Claims or vary any term relating to a Monetary Claim.

12 CONTRACTS

12.1 Contracts - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, that:

- 12.1.1 each Contract to which it is a party is in full force and effect and constitutes its legal, valid, binding and enforceable obligations;
- 12.1.2 its execution and performance of the Contracts to which it is a party does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument;
- 12.1.3 it is not in default, nor, so far as it is aware, is any counterparty to a Contract in default, under the Contracts to which it is a party;

12.2 Obligations

Notwithstanding the operation of Clause 4.8 (*Contracts*), each Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations under that Contract and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

13 INSURANCES

13.1 Insurances - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date that:

- 13.1.1 each Policy is in full force and effect and on risk, all premiums payable in relation to the Policies have been paid when due and payable, and so far as it is aware there are no grounds on which any Policy may be declared void or voidable in whole or in part; and
- 13.1.2 its entry into the Policies does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it.

13.2 Preservation and enforcement of rights

Subject to the terms of the relevant Sub-Facility Agreement, each Chargor shall:

- 13.2.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business. All such insurances must be maintained with a reputable independent insurance company or underwriter;
- 13.2.2 perform all its obligations, pay all premiums and other monies payable and enforce all its rights under the Policies and take all reasonable action necessary to keep the Policies in full force and effect and otherwise preserve its rights under the Policies ;
- 13.2.3 inform the Security Trustee immediately if it commences any legal proceeding, or receives notice of the initiation of any legal proceeding, in relation to any Policy or if it becomes aware of any Policy becoming void or voidable in whole or in part;
- 13.2.4 supply the Security Trustee on request with:
 - (a) a copy of each Policy and of each certificate of insurance and cover note relating to each Policy, certified as being true and correct copies by a director of the relevant Chargor; and
 - (b) any other information and copies of any other documents relating to the Policies which the Security Trustee, or any Receiver, requests.

13.3 Amendments and waivers

No Chargor shall, without the Security Trustee's prior written consent (not to be unreasonably withheld), amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

13.4 Default interest

If any Chargor defaults in complying with Clause 13.2 (*Preservation and enforcement of rights*), any Secured Party may effect or renew any such insurance on such terms, in such name(s) and in such amounts as it reasonably considers appropriate, and all monies

expended by the Secured Parties in doing so shall be reimbursed by the Chargors to the relevant Secured Parties on demand and shall carry interest from the date of payment by the Secured Parties until reimbursed at 2% above the rate specified in Clause 2.5 of the Master Facility Agreement.

13.5 Insurance proceeds held on trust

All monies received under any Policies relating to the Security Assets shall (subject to the rights and claims of any person having prior rights to such monies), be deposited into such account notified to the applicable Chargor by the Security Trustee.

14 INTELLECTUAL PROPERTY

14.1 Intellectual Property - representations and warranties

Each Chargor represents and warrants to the Security Trustee on each date up until the Discharge Date that it:

14.1.1 is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all of the Intellectual Property which is required by it in order to carry on its business as it is being conducted and has taken all formal and procedural actions (including but not limited to payment of fees) required to maintain such Intellectual Property; and

14.1.2 does not, in carrying on its business, infringe any Intellectual Property of any third party in any material respect.

14.2 Intellectual Property – positive undertakings

Each Chargor shall:

14.2.1 do all such acts and things as are necessary to preserve and maintain the existence and validity of its Intellectual Property that is required or desired by the Chargor for the operation of its business;

14.2.2 use all reasonable endeavours to prevent any theft, loss, destructions, infringement, unauthorised access, copying and use of its Intellectual Property and immediately after becoming aware of any such action, inform the Security Trustee of such action and take such steps as it may consider appropriate in the circumstances following discussions with the Security Trustee; and

14.2.3 make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property (required or desired by the Chargor for the operation of the business) in full force and effect and record its interest in that Intellectual Property and produce to the Security Trustee on demand receipts or other evidence that the same have been paid.

14.3 Intellectual Property – negative undertakings

No Chargor shall use or permit its Intellectual Property to be used in a way, or take any step or omit to take any step in respect of its Intellectual Property, which may materially and adversely affect the existence or value of the Intellectual Property or impair its right to use such property.

15 **THE LAND REGISTRY**

- 15.1 Each Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Ecclesiastical Insurance Group PLC referred to in the charges register or [conveyancer] or [specify appropriate details]".

- 15.2 Each Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"[Lender] under a facility agreement dated [] is under an obligation (subject to the terms of that facility agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of Ecclesiastical Insurance Group PLC secures those further advances."

- 15.3 No Chargor shall allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.
- 15.4 No Chargor shall permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property, without the prior written consent of the Security Trustee.
- 15.5 Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary under the Land Registration Rules 2003 to protect the Security created by or pursuant to this Deed.
- 15.6 Each Chargor shall deliver to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 15.

16 **NOTICES OF ASSIGNMENT AND CHARGE**

16.1 **Accounts**

- 16.1.1 Each Chargor shall serve a notice of charge in the form of **Error! Reference source not found.** of Schedule 9 (Form of Notice to Account Bank) on each Account Bank with whom an Account is held immediately:

- (a) upon execution of this Deed (in the case of an Additional Chargor, upon execution of the relevant Accession Deed); and
- (b) upon opening any Account after the date of this Deed.

- 16.1.2 Each Chargor shall use reasonable endeavours to procure that each Account Bank acknowledges any notice by signing and returning to the Security Trustee a letter of acknowledgement substantially in the form of **Error! Reference**

source not found. of Schedule 9 (Form of Acknowledgement from Account Bank) (as appropriate) within 7 days of the date of such notice. Any instructions contained in a notice of charge sent by a Chargor pursuant to this Clause may not be revoked or amended without the Security Trustee's prior written consent.

17 POWERS, PROTECTION AND DISCRETIONS OF THE SECURITY TRUSTEE

17.1 Rights and powers etc

All the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed on a Receiver may, after the Security constituted by this Deed has become enforceable, be exercised by the Security Trustee in respect of the Security Assets whether or not a Receiver has been or is later appointed.

17.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Security Trustee when the Security Trustee is exercising the rights, powers, authorities and discretions conferred on the Security Trustee by this Deed.

17.3 Curing of breaches and covenants

If any Chargor fails to comply with any provision of this Deed, then each Chargor shall allow and hereby authorises the Security Trustee or its nominee to do all such acts and things and take such action on behalf of any Chargor as may be necessary to secure compliance with that provision without becoming liable as a mortgagee in possession.

17.4 Indemnity

Each Chargor shall indemnify the Security Trustee against all losses, costs, charges and expenses incurred by the Security Trustee as a result of the failure by any Chargor to comply with any provision of this Deed and in connection with the exercise by the Security Trustee or its nominee of their respective rights contained in Clause 17.3 (*Curing of breaches and covenants*).

17.5 Expenses so incurred

All monies expended and all costs incurred by the Security Trustee or its nominee in carrying out any of their respective powers and discretions referred to in Clause 17.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Security Trustee or its nominee, shall be secured by this Security and shall be payable on demand by the Chargors to the Security Trustee.

18 ENFORCEMENT OF SECURITY

18.1 Timing

The Security created by this Deed will be immediately enforceable at any time after the occurrence of an Event of Default (or otherwise where requested of the Security Trustee by a Chargor).

18.2 Enforcement

After the Security constituted by this Deed has become enforceable, the Security Trustee may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- 18.2.1 enforce all or any part of that Security (at any time and in any manner it sees fit);
- 18.2.2 appoint a Receiver to all or any part of the Security Assets;
- 18.2.3 appoint one or more persons as an Administrator of any Chargor in accordance with Schedule B1 of the Insolvency Act;
- 18.2.4 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);
- 18.2.5 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into the name of its nominee;
- 18.2.6 exercise in relation to any Security Asset all the powers, authorities and things which it would be capable of exercising if it were the absolute legal and beneficial owner of that Security Asset;
- 18.2.7 whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;
- 18.2.8 subject to paragraph 4.13.3, by written notice to each and any of the Chargors convert the floating charge created by Clause 4.12 (Floating Charge) into a fixed charge as regards any assets specified in that notice;
- 18.2.9 exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets;
- 18.2.10 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
 - (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the relevant Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 21.1 (*Order of application*).

18.3 Statutory powers

- 18.3.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- 18.3.2 The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.
- 18.3.3 The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the Security constituted by this Deed has become enforceable and such powers are extended by this Deed so as to authorise the Security Trustee to make any lease or agreements for lease, accept surrenders of leases and grant options on such terms as the Security Trustee may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).
- 18.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "Mortgagor" will include any incumbrancer deriving title under a Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.
- 18.3.5 No Chargor shall have, at any time up until the Discharge Date, the power pursuant to section 99 of the LPA to make any Lease in respect of any Real Property without the prior written consent of the Security Trustee unless permitted pursuant to the terms of the Facility Documents.
- 18.3.6 The restrictions contained in section 93 and section 103 of the LPA shall not apply to the Security constituted by this Deed.
- 18.3.7 Each Receiver and the Security Trustee is entitled to all the rights, powers and privileges and immunities conferred by the LPA and the Insolvency Act on mortgagees and Receivers.
- 18.3.8 Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

18.4 Access on enforcement

- 18.4.1 At any time after the Security constituted by this Deed has become enforceable, each Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Security Asset and for that purpose to enter on any premises where a Security Asset is situated (or where any Secured Party reasonably believes a Security Asset to be situated) without incurring any liability to any Chargor for, or by any reason of, that entry.
- 18.4.2 At all times, each Chargor must use its best endeavours to allow any Secured Party access to any premises for the purpose of Clause 18.4.1 (obtaining any

necessary consents or permits of other persons) and ensure that its employees and officers do the same.

19 RECEIVER

19.1 Appointment of Receiver

19.1.1 After the Security constituted by this Deed has become enforceable the Security Trustee may without prior notice, appoint:

- (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
- (b) two or more Receivers of separate parts of the Security Assets; or
- (c) appoint another person(s) as an additional Receiver(s).

19.1.2 Any appointment under paragraph 19.1.1 above may be by deed, under seal or in writing under its hand.

19.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.

19.1.4 At any time, if so requested by a Chargor, without further notice, the Security Trustee may appoint a Receiver to all or any part of the Security Assets as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

19.2 Statutory powers of appointment

The powers of appointment of a Receiver pursuant to Clause 19.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed), the Insolvency Act or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.

19.3 Removal

The Security Trustee may from time to time by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver who has been removed for any reason.

19.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) and (8) of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

19.5 Agent of the Chargors

19.5.1 A Receiver will be deemed to be the agent of the Chargors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly

appointed by a mortgagee under the LPA. Each Chargor is solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

19.5.2 No Secured Party will incur any liability (either to the Chargors or to any other person) by reason of the appointment of a Receiver or for any other reason.

19.5.3 No Receiver shall at any time act as agent for any other Secured Party.

20 POWERS OF RECEIVER

20.1 Statutory powers

20.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of any Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a ~~mortgagor, a mortgagee in possession and on a Receiver (or a receiver~~ and manager) appointed under the LPA or the Insolvency Act.

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

20.2 Additional powers

In addition to those powers, rights and discretions set out in paragraphs 20.1.1(a) and 20.1.1(b) above, a Receiver shall have the following rights, powers and discretions:

20.2.1 Possession

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

20.2.2 Carry on business

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit.

20.2.3 Protection of assets

A Receiver may:

- (a) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;

- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on any Real Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

20.2.4 Employees

- (a) A Receiver may appoint and discharge managers, directors and secretaries for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

20.2.5 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Chargor.

20.2.6 Let, hire or lease

A Receiver may:

- (a) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- (c) exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of any Chargor or otherwise.

20.2.7 Registration

A Receiver may use any Chargor's name to effect any registration or election for tax or other purposes.

20.2.8 Insurances

A Receiver may effect, review or vary insurances.

20.2.9 Borrowing

A Receiver may for the purposes of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

20.2.10 Advance credit

A Receiver may advance credit, in the ordinary course of any Chargor's business, to any person.

20.2.11 Make calls

A Receiver may make, or require the directors of any Chargor to make such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

20.2.12 Compromise, legal action and mediation

A Receiver may:

- (a) settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;
- (b) bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and
- (c) refer to mediation any question in relation to any Security Asset that he thinks fit.

20.2.13 Subsidiaries

A Receiver may:

- (a) promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock,

convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and

- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

20.2.14 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

20.2.15 Environment

A Receiver may conduct and complete all investigations studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Trustee or otherwise and comply with all lawful orders and directives relating to Environmental Law.

20.2.16 Mediation

A Receiver may refer to mediation any question in relation to any Security Asset that he thinks fit.

20.2.17 Delegation

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

20.2.18 Lending

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

20.2.19 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Security Trustee or any Receiver under or by virtue of this Deed or by law;
- (b) exercise every power which the Receiver in its absolute discretion considers necessary for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of the Security created by this Deed or the realisation of any Security Asset;
- (c) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset;

- (d) do any other acts and things it lawfully may do as agent for any Chargor; and
- (e) use the name of any Chargor for any of the purposes set out in this Clause 20.

20.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

20.4 Powers to be exercisable by the Security Trustee

- 20.4.1 The Security Trustee may exercise all powers granted by the Receiver by this Deed whether as attorney of any Chargor or otherwise.
- 20.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Trustee as provided in Clause 18.3 (Statutory powers) or otherwise and so that, inter alia, such powers are and remain exercisable by the Security Trustee in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Trustee is from time to time subsisting.

20.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

- 20.5.1 the powers conferred on the Receiver by the Act and those powers listed in Schedule 1 of the Insolvency Act; and
- 20.5.2 the powers conferred by this Clause 20,

the powers conferred by this Clause 20 shall prevail.

21 APPLICATION OF PROCEEDS

21.1 Order of application

Subject to Clause 21.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Trustee pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 21, the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 21), in the following order:

- 21.1.1 in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- 21.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed;

21.1.3 in payment to the Security Trustee for application in accordance with the Security Trust Deed; and

21.1.4 the balance (if any) will be paid to the Chargor or other person entitled to it or applied as required by law.

21.2 Prospective liabilities

Following enforcement of any of the Transaction Security the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under Clause 21.1 (Order of application) in respect of:

21.2.1 any sum to the Security Trustee, any Receiver or any Delegate; and

21.2.2 any part of the Secured Liabilities,

21.2.3 any sum that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

21.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 21.1 (*Order of application*) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Trustee's discretion in accordance with the provisions of this Clause 21.3.

21.4 Currency Conversion

21.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Trustee may convert any monies received or recovered by the Security Trustee from one currency to another, at a market rate of exchange.

21.4.2 The obligations of each Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

21.5 Permitted Deductions

The Security Trustee shall be entitled, in its discretion:

21.5.1 to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and

21.5.2 to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

22 PROTECTION OF PURCHASERS

- 22.1 No purchaser or other person dealing with any Secured Party shall be bound to enquire:
- 22.1.1 whether the Secured Liabilities have become due and/or payable;
 - 22.1.2 whether any event has happened upon which any of the powers conferred by this Deed may have arisen or be exercisable or is being properly exercised;
 - 22.1.3 whether any money remains due under the Finance Documents; or
 - 22.1.4 how any money paid to that Secured Party is to be applied.
- 22.2 No purchaser dealing with any Secured Party or the Security constituted by this Deed is to be concerned to enquire whether any power exercised or purported to be exercised by the Secured Parties has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Secured Parties. Any such sale or dealing is deemed to be within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.
- 22.3 The receipt of any Secured Party shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, any Secured Party may do for such consideration, in such manner and on such terms as it thinks fit.

23 LIABILITY OF SECURITY TRUSTEE AND RECEIVER

23.1 Liability

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:

- 23.1.1 taking possession of or realising all or any part of the Security Assets; or
- 23.1.2 taking any action permitted by this Deed,

be liable to any Chargor or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, default, omission or misconduct of the Security Trustee, any Receiver or their respective Delegates and sub-delegates in relation to the Security Assets or otherwise.

23.2 Exoneration

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates shall have any duty:

- 23.2.1 to perform any Chargor's obligations or exercise any rights in relation to any Security Asset;
- 23.2.2 to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;
- 23.2.3 to take up any offer in relation to any Security Asset;

- 23.2.4 to investigate, appraise or report on the status, propriety or validity of the acts of the Receiver or Security Trustee;
- 23.2.5 to give any notification to anyone in relation to any Security Asset; or
- 23.2.6 to take any action to enforce any other person's obligations as regards any Security Asset.

23.3 Protection of the Receiver

The Receiver shall be entitled to all the rights, powers, privileges and immunities which the LPA confers on mortgagees and receivers duly appointed under the LPA.

24 POWER OF ATTORNEY

24.1 Each Chargor, by way of security for the performance of its obligations under this Deed, irrevocably and severally appoints the Security Trustee, each Receiver and each of their respective Delegates and sub-delegates to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to, following the occurrence of an Event of Default:

- 24.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;
- 24.1.2 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required for:
 - (a) carrying out any obligation imposed on any Chargor by this Deed or any agreement binding on any Chargor to which the Security Trustee is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Security Assets); and
 - (b) enabling the Security Trustee and any Receiver to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by law (including, after the Security constituted by this Deed has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets);
- 24.1.3 each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers under this Deed; and
- 24.1.4 each Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 24) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of any Chargor.

25 DELEGATION AND DISCRETION

25.1 Delegation

- 25.1.1 The Security Trustee and/or any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which

are conferred and are exercisable by it under this Deed to any person or persons on such terms and conditions as it sees fit.

25.1.2 No such delegation pursuant to this Clause 25 shall preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or a Receiver itself or any subsequent delegation or revocation of such power, authority or discretion.

25.1.3 Neither the Security Trustee nor any Receiver will have any liability to any Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

25.2 Discretion

Any right or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

26 EFFECTIVENESS OF SECURITY

26.1 Continuing Security

The Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

26.2 Cumulative rights

The Security created by or pursuant to this Deed and the rights, powers and remedies of the Security Trustee under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Security Trustee may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Security Trustee shall not be obliged before exercising any such rights, powers or remedies:

26.2.1 to make any demand of, or take any action or obtain any judgment in any court against, any Chargor;

26.2.2 to make or file any claim or proof in winding-up or dissolution of any Chargor; or

26.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

26.3 No merger of Security

No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Security Assets shall merge with the Security constituted by this Deed.

26.4 No prejudice

The Security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Trustee or by any variation of the

terms of the trust upon which the Security Trustee holds the Security created by or pursuant to this Deed or by any other thing which might otherwise prejudice that Security.

26.5 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Security Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

26.6 Partial invalidity

- 26.6.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.
- 26.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

26.7 Tacking

- 26.7.1 For the purposes of section 94(1)(c) of the LPA and section 49(3) of the Land Registration Act 2002, the Security Trustee confirms on behalf of the Secured Parties that the Secured Parties will comply with their obligations to make further advances under the relevant Sub-Facility Agreement subject to the terms of the Finance Documents (as defined by such Sub-Facility Agreement).
- 26.7.2 Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the charges register of any registered land forming part of the Real Property.

26.8 Further assurance

- 26.8.1 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.
- 26.8.2 Each Chargor shall promptly, at its own cost, do whatever the Security Trustee requires:
 - (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
 - (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;

(c) to facilitate the exercise of any rights, powers and remedies vested in the Security Trustee or any Receiver (or their respective Delegates) by this Deed and/or by the law; and/or

(d) to facilitate the realisation of the Security Assets.

27 PRIOR SECURITY INTERESTS

27.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed, the Security Trustee may redeem such prior Security or procure the transfer of such Security to itself.

27.2 The Security Trustee may settle and agree the accounts of the holder of the prior Security and any accounts so settled and agreed will (in the absence of manifest error) be conclusive and binding on the Chargors.

27.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargors to the Security Trustee on demand together with accrued interest on such sums as well as before judgement at 2% above the rate specified in Clause 2.5 of the Master Facility Agreement from the time or respective times of the same having been paid or incurred until payment of such sums (as well as after as before judgment).

28 SUBSEQUENT SECURITY INTERESTS

If the Security Trustee receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security Asset or other interest other than as permitted by the Facility Documents affecting the Security Assets, it may open a new account for the relevant Chargor in its books. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Security Trustee gives express written notice to the contrary to the Chargors, all payments made by the relevant Chargor to the Security Trustee will, as from that time, be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Liabilities.

29 SUSPENSE ACCOUNT

29.1 Contingencies

If the Security constituted by this Deed, is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account in which event, Clause 29.2 (*Suspense account*) shall apply to such proceeds.

29.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the absolute discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

30 RELEASE OF SECURITY

- 30.1 Upon the occurrence of the Discharge Date, or, if the related asset or Chargor is subject to a disposal permitted by the relevant Sub-Facility Agreement or the Shareholders' Agreement, the Security Trustee shall, at the request and cost of the Chargors, release and cancel the Security constituted by this Deed and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case without recourse to, or any representation or warranty by, Security Trustee or any of its Delegates.
- 30.2 Following any discharge of any Chargor made by the Security Trustee, in reliance on any payment or security, the Security Trustee may retain the Security constituted by this Deed (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the relevant Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Security Trustee may retain the Security constituted by this Deed for as long as it sees fit.

31 SET-OFF

The Security Trustee may set off any matured obligation due from any Chargor under this Deed (to the extent beneficially owned by the Security Trustee) against any matured obligation owed by the Security Trustee to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

32 FINANCIAL COLLATERAL

- 32.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Trustee shall, upon the Security created by this Deed becoming enforceable pursuant to Clause 18.2 and to the extent permitted by the Regulations, have the right to appropriate all or any part of the Security Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Trustee may in its absolute discretion determine.
- 32.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 32.1 above shall be:
- 32.2.1 in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;
 - 32.2.2 in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Trustee could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at its spot rate of exchange for such purchase in the Relevant Market at or about 11:00 a.m. on that date; or
 - 32.2.3 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index,

independent valuation or as determined by such other method as the Security Trustee may select.

- 32.3 The Parties agree that the method of valuation provided for in this Clause 32 (*Financial collateral*) is commercially reasonable for the purposes of the Regulations.

33 CURRENCY

33.1 Relevant Currency

Each Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

33.2 Receipt in wrong currency

If at any time the Security Trustee receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Security Trustee of the amount in the Relevant Currency which the Security Trustee is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at its spot rate of exchange for such purchase in the Relevant Market at or about 11:00 a.m. on that date.

33.3 Currency indemnity

- 33.3.1 If any sum due from a Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against any Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

each Chargor shall, as an independent obligation, within three Business Days of demand, indemnify the Security Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of receipt of that Sum.

- 33.3.2 Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than in which it is expressed to be payable.

34 PAYMENTS TO BE MADE WITHOUT DEDUCTION

34.1 No deductions

All sums payable by each Chargor under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Security Trustee may designate. All such payments shall be made in full without set-off of any sum owing by the Security Trustee to any Chargor or counterclaim and free and clear of any deductions of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

34.2 Grossing-up

If at any time any Chargor is required by law to make any deduction or withholding from any payment due from that Chargor to the Security Trustee, that Chargor shall simultaneously pay to the Security Trustee whatever additional amount is necessary to ensure that the Security Trustee receives a net sum equal to the payment it would have received had no deduction or withholding been made.

35 CERTIFICATES AND DETERMINATIONS

A certificate or determination by the Security Trustee or a Receiver of a rate or an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

36 ASSIGNMENT AND TRANSFER

36.1 Chargors consent to assignment/transfer by Security Trustee

Each Chargor consents to the assignment and/or transfer by the Security Trustee to any Affiliates of the Security Trustee any one or more of its rights and/or obligations under this Deed. The Security Trustee may, without consulting with or obtaining consent from any Chargor at any time charge, assign or otherwise create Security in or over its rights, benefits and interests under this Deed to secure any obligations of any Secured Party.

36.2 No assignment/transfer by Chargors

No Chargor may assign or transfer any one or more of its rights and/or obligations under this Deed.

37 INDEMNITY TO THE SECURITY TRUSTEE

37.1 Each Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

- 37.1.1 any failure by any Chargor to comply with its obligations under Clause 38 (*Costs and expenses*);
- 37.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 37.1.3 the taking, holding, perfection, preservation, protection or enforcement of the Security constituted under this Deed;
- 37.1.4 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee, each Receiver and their Delegate and sub-delegates by this Deed or by law;
- 37.1.5 any default by any Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 37.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents following the occurrence of an Event of Default; or

- 37.1.7 acting as Security Trustee, Receiver or Delegate under this Deed or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or Delegate's gross negligence or wilful misconduct).

38 COSTS AND EXPENSES

38.1 Transaction expenses

The Chargors and the Security Trustee shall bear their own costs for all costs and expenses (including legal fees) in connection with the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and the Security constituted by this Deed, and any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) relating to a Finance Document or a document referred to in any of them.

38.2 Enforcement and preservation costs

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed and any proceedings instituted by or against any Secured Party as a consequence of taking or holding the Security constituted by this Deed or enforcing these rights.

39 MISCELLANEOUS

39.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by each Chargor and the Security Trustee.

39.2 Third party rights

Other than any Secured Party a person who is not a Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

39.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

39.4 Counterparts

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

40 NOTICES

40.1 Communications in writing

A notice given to a party under or in connection with this Deed shall be in writing and shall be delivered by hand or sent by pre-paid first-class post, recorded delivery or special delivery in each case to that party's address, or sent by email to that party's email address, in each case as specified in clause this Deed (or to such other address or email address number as that party may notify to the other party in accordance with this Deed).

40.2 Addresses

40.2.1 The addresses for service of notices are:

(a) in the case of each Chargor:

Address: its registered office address for the time being

Email: s.astley@lloydwhyte.com

Attention: Stephen Astley

(b) in the case of the Security Trustee at:

Address: its registered office address for the time being

Email: legal@ecclesiastical.com

Attention: Legal and Secretarial Team

40.2.2 A party may change its details for service of notices as specified in clause 40.2.1 by giving notice (provided that in the case of a change to the party's postal address the new address is an address in the United Kingdom). Any change notified pursuant to this clause shall take effect at 9:00 a.m. on the later of:

- (a) the date, if any, specified in the notice as the effective date for the change; and
- (b) the date five Business Days after deemed receipt of the notice of change.

40.3 Delivery

40.3.1 A notice is deemed to have been received (provided that all other requirements in this clause have been satisfied):

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;
- (b) if sent by pre-paid first class post or another next working day delivery service providing proof of delivery, at 9:00 a.m. on the second Business Day after posting or at the time recorded by the delivery service; or
- (c) if sent by email, one hour after the time of transmission,

provided that if deemed receipt under the previous paragraphs of this clause 40.3.1 would occur outside Usual Business Hours, the notice shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this clause, "Usual Business Hours" means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice (which, in the case of service of a notice by email shall be deemed to be the same place as is specified for service of notices on the relevant party by hand or post).

- 40.3.2 This clause 40 does not apply to the service of any proceedings or other documents in any legal action, in respect of which the Lender will not accept fax or electronic service.

41 GOVERNING LAW AND JURISDICTION

41.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

41.2 Jurisdiction of English courts

- 41.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 41.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

This Deed is executed as a deed by each Original Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.

SCHEDULE 1 – ORIGINAL CHARGORS

Company Name	Registered Number	Registered Address	Jurisdiction
Insurance Broking Finance Limited	04981657	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Lloyd & Whyte Limited	03686765	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Lloyd and Whyte (Financial Services) Limited	02092560	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
Medical Money Management (General Insurance Brokers) Limited	01115395	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales
The Medical Insurance Advisory Bureau Limited	07217140	Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA	England and Wales

SCHEDULE 2 - THE SHARES

Chargor	Name of Company	Registered Number	Description of Shares (class and nominal value)	Amount of Shares
Lloyd & Whyte Group Limited	Insurance Broking Finance Limited	04981657	Ordinary shares of £1	100
Lloyd & Whyte Group Limited	Lloyd & Whyte Limited	03686765	Ordinary shares of £1	145,000
Lloyd & Whyte Group Limited	Lloyd and Whyte (Financial Services) Limited	02092560	Ordinary shares of £1	11,000
Lloyd & Whyte Group Limited	Medical Money Management (General Insurance Brokers) Limited	01115395	Ordinary shares of £10	10,000
Lloyd & Whyte Group Limited	The Medical Insurance Advisory Bureau Limited	07217140	A Ordinary Shares of £1	18,000
Lloyd & Whyte Group Limited	The Medical Insurance Advisory Bureau Limited	07217140	B Ordinary Shares of £1	2,000
Lloyd & Whyte Group Limited	PPS GI Limited	11043720	Ordinary shares of £1	1

SCHEDULE 3 - PROPERTIES

Part 1 - Mortgaged Property

Intentionally left blank

Part 2 - Excluded Property

Chargor	Description of Property	Title Number
Lloyd & Whyte Group Limited	Leasehold of Affinity House East, Bindon Road, Taunton, Somerset, TA2 6AA dated 23 October 2015	ST325268
Lloyd & Whyte Group Limited	Leasehold of Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA dated 23 October 2015	ST325267

SCHEDULE 4 - ACCOUNT DETAILS

Name of Account Bank	Name of Account Holder	Account Name	Sort Code	Account Number	Currency
Lloyds Bank plc	Lloyd & Whyte Limited	ACQUISITION ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Insurance Broking Finance Limited	IBF LIMITED	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	L&W HERITAGE CLIENT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Group Limited	LLOYD & WHYTE GROUP LTD	██████	██████	GBP
Lloyds Bank plc	Lloyd and Whyte Financial Services Limited	LW FINANCIAL SERVICES ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Lloyd and Whyte (Financial Services) Limited	LW FS PENSION ACCOUNT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	LW LTD - CLIENT	██████	██████	GBP
Lloyds Bank plc	Lloyd & Whyte Limited	LW LTD OFFICE	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance Brokers) Limited	MMM GIB LTD- STATUTORY TRUSTCLIENT A	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance Brokers) Limited	MMM OFFICE	██████	██████	GBP
Lloyds Bank plc	Medical Money Management (General Insurance	MMM SCHEMES	██████	██████	GBP

	Brokers) Limited				
Lloyds Bank plc	Lloyd & Whyte Group Limited	SOCIAL COMMITTEE			GBP
Lloyds Bank plc	Lloyd & Whyte Limited	Heritage Client account			GBP
Lloyds Bank plc	The Medical Insurance Advisory Bureau Limited	Business Account			GBP

SCHEDULE 5 - INSURANCE POLICIES

Insurance policy	Insured	Insurer	Policy number
Office (Office Contents, Tenant's Improvements and Decorations and Legal Expenses)	Lloyd & Whyte Ltd Lloyd & Whyte Financial Services Ltd Lloyd & Whyte Group Ltd Medical Money Management (General Insurance Brokers) Ltd	Zurich Insurance plc	002/2P05/FK585025/4
Cyber	Lloyd & Whyte Group Ltd	Beazley Solutions Ltd	W3414219PNBR
Computer	Lloyd & Whyte Group Ltd	Zurich Insurance plc	GH587375
Management Risks Bespoke Policy	The Medical Insurance Advisory Bureau Limited	Markel International Insurance Company Limited	A72327/0419
Cyber	The Medical Insurance Advisory Bureau Limited	CFC Underwriting Limited/Lloyds	ESH031145785
Employer's Liability Insurance	The Medical Insurance Advisory Bureau Limited	Aviva Insurance Limited	97OSP3112566
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd	Willis Towers Watson	35815P18

	The Medical Insurance Advisory Bureau Limited		
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd; Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd The Medical Insurance Advisory Bureau Limited	Willis Towers Watson	40960P18
Professional Indemnity	Lloyd & Whyte Group Ltd Lloyd & Whyte Limited Lloyd and Whyte (Financial Services) Limited Insurance Broking Finance Ltd Lloyds & Whyte Heritage Ltd Reedways Insurance Ltd Lloyd & Whyte International Ltd British Chiropractic Association Medical Money Management (General Insurance Brokers) Ltd The Medical Insurance Advisory Bureau Limited	Willis Towers Watson	38726P18

SCHEDULE 6
INTELLECTUAL PROPERTY

Trademarks

LLOYD & WHYTE (trademark number 004598521)

Domain Names

lloydwhyte.com

lloydwhyte.co.uk

lloydandwhyte.com

lloydandwhyte.co.uk

reedways.co.uk

medical-money.co.uk

miab.co.uk

SCHEDULE 7

FORM OF DEED OF ACCESSION

THIS DEED is dated [] between:

- 1 [•] a company incorporated in England and Wales under registered number [•] whose registered office is [•] (the "Additional Chargor"); and
- 2 **ECCLESIASTICAL INSURANCE GROUP PLC** as Security Trustee for and on behalf of the Secured Parties (the "Security Trustee").

BACKGROUND

- A The Additional Chargor is a Subsidiary of [name of relevant Original Chargor].
- B The Parent and others has entered into a debenture dated [INSERT DATE] (the "Debenture") between the Parent, the Chargors under and as defined in the Debenture and the Security Trustee.
- C The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Debenture.
- D The Security Trustee and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 Definitions and interpretation

Terms defined in the Debenture have the same meaning in this deed unless given a different meaning in this Deed. This deed is a Finance Document.

2 Accession and covenant to pay

2.1 With effect from the date of this Deed the Additional Chargor:

- 2.1.1 will become a party to the Debenture as a Chargor; and
- 2.1.2 will be bound by all the terms of the Debenture which are expressed to be binding on a Chargor.

2.2 The Additional Chargor hereby covenants with the Security Trustee that it will on demand pay, discharge and satisfy all Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

3 Grant of security

3.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges:

- 3.1.1 by way of a first legal mortgage, all the Properties which are listed in schedule 1 (*Properties currently owned*) to this Deed (the "Mortgaged Property") owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use the Mortgaged Property owned by it; and

- 3.1.2 (to the extent that they are not the subject of a mortgage under paragraph 3.1.1 above) by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use Real Property owned by it.
- 3.1.3 charges to the Security Trustee, by way of first fixed charge, all its:
- 3.1.3.1 Chattels;
 - 3.1.3.2 Shares and Dividends;
 - 3.1.3.3 Monetary Claims;
 - 3.1.3.4 Intellectual Property;
 - 3.1.3.5 any beneficial interest, claim or entitlement it has in any pension fund;
 - 3.1.3.6 any and all Related Rights;
 - 3.1.3.7 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
 - 3.1.3.8 its goodwill and uncalled capital; and
 - 3.1.3.9 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation;
- 3.1.4 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Accounts, and to the extent that any Account are not effectively assigned by this paragraph, charges by way of first fixed charge all of its rights and interest in and to the Accounts;
- 3.1.5 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of security), all its rights in respect of the Rental Income provided that if any of those rights are not effectively assigned by this paragraph, this assignment shall instead operate as an assignment of all sums, of any nature, which each Chargor may derive from those rights;
- 3.1.6 to the extent that they are not effectively assigned under paragraph 3.1.5 above, each Chargor charges by way of first fixed charge all of its rights described in paragraph 3.1.5 above;
- 3.1.7 assigns to the Security Trustee absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security) of the Debenture, all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts, and to the extent that they are not effectively assigned, each Chargor charges by way of a first fixed charge such relevant amounts and rights;
- 3.1.8 assigns to the Security Trustee, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (Release of Security) of the Debenture, all its rights in respect of:
- 3.1.8.1 the Contracts;
 - 3.1.8.2 any letter of credit issued in its favour; and

- 3.1.8.3 any bill of exchange or other negotiable instrument held by it, and
- 3.1.9 to the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, charges to the Security Trustee by way of fixed charge all of its rights and interest in such Contract; and
- 3.1.10 to the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, charges to the Security Trustee by way of fixed charge the proceeds of any Related Rights in respect of such Contract.
- 3.2 Floating security**
- 3.2.1 The Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 3.
- 3.2.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to paragraph 3.2.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.
- 4 Miscellaneous**
- With effect from the date of this Deed:
- 4.1 the Debenture will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed); and
- 4.2 any reference in the Debenture to "this Deed" and similar phrases will include this Deed.
- 5 Counterparts**
- This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 6 Governing law**
- This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 7 Enforcement**
- 7.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- 7.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

In Witness whereof this Deed has been executed by the Additional Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Security Trustee.

SCHEDULE 1 TO ACCESSION DEED

Shares

[to be completed]

SCHEDULE 2 TO ACCESSION DEED

Properties

Part A: Registered Land

Description of Property	Title Number

Part B: Unregistered Land

SCHEDULE 3 TO ACCESSION DEED

Accounts

Name of Account Bank	Name of Account Holder	Account Name	Sort Code	Account Number	Currency

SCHEDULE 4 TO ACCESSION DEED

Insurance Policies

[to be completed]

SCHEDULE 5 TO ACCESSION DEED

Intellectual Property

[to be completed]

EXECUTION PAGES TO THE ACCESSION DEED TO THE DEBENTURE

The Additional Chargor

**EXECUTED as a DEED by
[CHARGOR]**

EXECUTED by **ECCLESIASTICAL**) *DO NOT SIGN THIS IS THE EXECUTION PAGE*
INSURANCE GROUP PLC as Security Trustee) *OF A TEMPLATE*
)

[Signature of authorised signatory]

Notice details

Address:

SCHEDULE 8 FORM OF LEGAL MORTGAGE

THIS DEED is dated [] between:

- (1) [] a company incorporated in England and Wales under registered number [] whose registered office is [] ("Chargor"); and
- (2) **ECCLESIASTICAL INSURANCE GROUP PLC** as Security Trustee for and on behalf of the Secured Parties (the "Security Trustee").

BACKGROUND

[The/Each] Chargor enters into this Deed in connection with the Sub-Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Debenture	means the debenture dated [] granted by, amongst others, [the/each] Chargor in favour of the Security Trustee;
Sub-Facility Agreement	means the sub-facility agreement dated [INSERT DATE] between [] (as borrower) and [] (as lender);
Mortgaged Property	means any freehold, leasehold or immovable property specified in the Schedule 1 (<i>Mortgaged Property</i>).

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clause 2.1.1 to 2.1.9 (inclusive), clause 2.2 to 2.13 (inclusive), clause 5.1 and 5.2 and clauses 15.4 to 40 (inclusive) are incorporated into this Deed as if references in those clauses to the Debenture were references to this Deed and if all references in those clauses to Security Asset were references to the Mortgaged Property.

3 UNDERTAKING TO PAY

[The/Each] Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

- 4.1 All Security created under this Deed:

- 4.1.1 is created in favour of the Security Trustee;
- 4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this

Deed, would cause such Security to be unlawful or prohibited by any applicable law; and

4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Subject to Clause 30 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

4.3 [The/Each] Chargor charges by way of first legal mortgage all the Mortgaged Property and all rights under any licence or other agreement or document which gives [the/each] Chargor a right to occupy or use the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

[The/Each] Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Ecclesiastical Insurance Group PLC referred to in the charges register or [conveyancer] or [specify appropriate details]".

6 FURTHER ADVANCES

[The/Each] Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"[Lender] under a facility agreement dated [] is under an obligation (subject to the terms of that facility agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of Ecclesiastical Insurance Group PLC secures those further advances."

7 MISCELLANEOUS

Other than the Secured Parties a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

8 COUNTERPARTS

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

9 GOVERNING LAW AND JURISDICTION

9.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

9.2 Jurisdiction of English courts

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

9.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

THIS DEED is executed as a deed by [the/each] Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date stated at the beginning of this Deed.

EXECUTION PAGES TO THE LEGAL MORTGAGE

EXECUTED as a DEED by
[CHARGOR]

EXECUTED by ECCLESIASTICAL) DO NOT SIGN THIS IS THE EXECUTION PAGE
INSURANCE GROUP PLC as Security Trustee) OF A TEMPLATE
)

[Signature of authorised signatory]

Notice details

Address:

SCHEDULE 9
FORM OF NOTICE AND ACKNOWLEDGEMENT FOR ACCOUNT BANK

Form of Notice to Account Bank

[On the Letterhead of the relevant Chargor]

To: [name and address of third party bank]

Attention: []

Copy to: Ecclesiastical Insurance Group PLC

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between, amongst others, Lloyd & Whyte Group Limited (as a chargor) and Ecclesiastical Insurance Group PLC (the "Security Trustee")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge)] in favour of the Security Trustee all our present and future rights and interest in and to account number(s) *[insert details of accounts charged]* in our name (the "**Charged Account(s)**") together with all money from time to time standing to the credit of that Charged Account(s), all interest accruing in relation to such Charged Account(s) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Charged Account(s), all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Charged Account(s), including sale proceeds and money paid by way of damages, award or judgment made in connection with that Charged Account(s); and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Charged Account(s).

We hereby irrevocably authorise and instruct you to:

- 1 Disclose to the Security Trustee on request to you by the Security Trustee, any information relating to the Charged Account(s) without any reference to, or further authority from, us, including, but not limited to, supplying the Security Trustee with copies of statements if requested by the Security Trustee.
- 2 Operate the Charged Account(s) in accordance with the existing Account Mandate until you have been given notice pursuant to paragraph 2.1 of this Notice:
 - 2.1 comply with the written directions of the Security Trustee in relation to the Charged Account(s) following receipt by you of a notice that a Default has occurred and is continuing ("**Default Notice**"). For the avoidance of doubt, upon receipt of a Default Notice you should only permit monies to be drawn on or debited to the Charged Account(s) in accordance with the written directions of the Security Trustee without any enquiry by you as to the justification of such directions or instructions or the validity of them;
 - 2.2 debit the Charged Account(s) with your costs and charges in connection with the opening, maintenance and operation of the Charged Account(s) both before and after receipt by you of a Default Notice; and

- 2.3 exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s) up until the time that you receive a Default Notice.
- 3 We shall at all times indemnify you and keep you indemnified fully and effectively from and against all losses, damages, liabilities and costs and expenses that you may incur in connection with or by reason of you complying with the terms of this Notice or in relation to the Charged Account(s).
- 4 We hereby agree and confirm that:
- 4.1 the instructions and authorisations which are contained in this Notice shall remain in full force and effect until revoked or varied with the specific prior written consent of the Security Trustee; and
- 4.2 any direction, notice or consent that is given or purports to be given for and on behalf of the Security Trustee shall be conclusive evidence for all purposes.
- 5 This Notice shall be governed by and construed in accordance with English law.
- 6 This Notice is countersigned by the Security Trustee to evidence its agreement to the content of it, including, but not limited to, the indemnity set out in paragraph 3.
- 7 Please confirm your agreement to the above by sending the attached acknowledgement to *[identify Security Trustee officer]* at *[insert address details of Security Trustee]* with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[Chargor]**

Part 2

Form of Acknowledgement from Account Bank

To: Ecclesiastical Insurance Group PLC

Attention: []

Copy to: [Chargor]

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between, amongst others, Lloyd & Whyte Group Limited (as a chargor) and Ecclesiastical Insurance Group PLC (the "Security Trustee")

Dear Sirs

- 1 We acknowledge receipt of the notice dated [insert date] from [], (the "Notice") and all terms defined in the Notice shall have the same meaning herein.
- 2 We agree that until receipt by us of written notice from you revoking the arrangements set out in the Notice we will comply with the terms of the Notice to the extent permitted by law.
- 3 Upon receipt of a Default Notice from you, we shall not exercise or seek to assert or exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s).
- 4 We hereby confirm that we have not received any notice (other than the Notice) that [] has assigned or charged its rights to the sums standing to the credit of the Charged Account(s) or otherwise granted any security or interest over those monies in favour of any third party.
- 5 We understand that [] will indemnify us on the terms set out in the Notice.

6 This acknowledgement shall be governed by and construed in accordance with English law.

Yours faithfully

.....
for and on behalf of
[third party bank]

EXECUTION PAGES TO THE DEBENTURE

ORIGINAL CHARGORS

EXECUTED and DELIVERED as a Deed
for and on behalf of
LLOYD & WHYTE GROUP LIMITED
by a director, in the presence of:

)
)
)
)
)
)

Director
Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

EXECUTED and DELIVERED as a Deed
for and on behalf of
INSURANCE BROKING FINANCE LIMITED,
by a director, in the presence of:

)
)
)
)
)
)

Director
Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

EXECUTED and DELIVERED as a Deed)
for and on behalf of)
LLOYD & WHYTE LIMITED)
by a director, in the presence of:)
) Director
) Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

EXECUTED and DELIVERED as a Deed)
for and on behalf of)
LLOYD AND WHYTE (FINANCIAL SERVICES))
LIMITED)
by a director, in the presence of:)
) Director
) Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

EXECUTED and DELIVERED as a Deed
for and on behalf of
MEDICAL MONEY MANAGEMENT (GENERAL
INSURANCE BROKERS) LIMITED
by a director, in the presence of:

)
)
)
)
)
)
)

Director
Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

EXECUTED and DELIVERED as a Deed
for and on behalf of
THE MEDICAL INSURANCE
ADVISORY BUREAU LIMITED
by a director, in the presence of:

)
)
)
)
)
)
)

Director
Name:

Signature of Witness:

Name:

Address:

.....

.....

Occupation:

SECURITY TRUSTEE

EXECUTED as a DEED by)

ECCLESIASTICAL INSURANCE GROUP)

PLC in the presence of:)

[REDACTED]

Director

Signature of Witness:

[REDACTED]

Name:

ROSIE FOSTER

Address:

[REDACTED]

Occupation:

PARALEGAL