

172261/780

MR01

Particulars of a charge

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the V
Please go to www

✓ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

✗ **What this form is**
You may not use it
to register a charge
evidenced by an instrument. Use form

WEDNESDAY



A06 *A3IJ48KO* 15/10/2014 #6
COMPANIES HOUSE

lease

ov uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1

Company details

Company number 0 3 7 2 0 7 7 5

Company name in full PUNCH TAVERNS (PMH) LIMITED (the "Parent Guarantor")

9

For official use

Filing in this form

Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

2

Charge creation date

Charge creation date 0 8 1 0 2 0 1 4

3

Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name DEUTSCHE TRUSTEE COMPANY LIMITED (registered in England and Wales No 00338230) as Issuer Security Trustee for the New Parent Guarantor Creditors

Name

Name

Name

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ¹

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Slaughter and May*

X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Edward McNeilly

Company name Slaughter and May

Address 1 Bunhill Row

Post town London

County/Region

Postcode E C 1 Y 8 Y Y

Country United Kingdom

DX

Telephone 020 7600 1200



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 3720775

Charge code: 0372 0775 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th October 2014 and created by PUNCH TAVERNS (PMH) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th October 2014

Given at Companies House, Cardiff on 20th October 2014



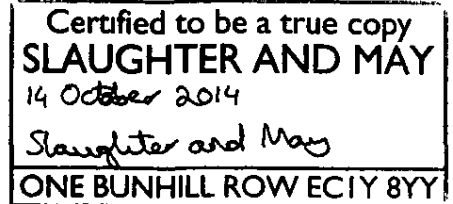
Companies House



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

Save for material redacted Pursuant to
58596 of the Companies Act 2006,

7 October 2014



PUNCH TAVERNS (PMH) LIMITED
(as Parent Guarantor)

DEUTSCHE TRUSTEE COMPANY LIMITED
(as Note Trustee and as Issuer Security Trustee)

**NEW PARENT GUARANTOR SECOND
PRIORITY DEED OF
GUARANTEE AND CHARGE**

524352023

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THIS NEW PARENT GUARANTOR SECOND PRIORITY DEED OF GUARANTEE AND CHARGE (this "**Deed**") was made on 7 October 2014 and is effective on and from the Fifth Closing Date Effective Time

BETWEEN:

- (1) **PUNCH TAVERNS (PMH) LIMITED** (formerly known as Pubmaster Holdings Limited) a company incorporated in England and Wales with limited liability (registered number 03720775) whose registered office is at Jubilee House, Second Avenue, Burton-upon-Trent, Staffordshire, DE 14 2WF (the "**Parent Guarantor**"),
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED** (registered in England and Wales under number 00338230) whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB (in its capacities as the "**Issuer Security Trustee**" acting as trustee for the New Parent Guarantor Secured Creditors, which expression shall include all such persons and all other persons for the time being acting as security trustee or trustees pursuant to the Issuer Deed of Charge and this Deed),
- (3) **DEUTSCHE TRUSTEE COMPANY LIMITED** a company incorporated in England and Wales with limited liability (registered number 00338230) whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB acting as trustee for the Noteholders under the Trust Deed (the "**Note Trustee**", which expression shall include such person and all other persons for the time being acting as trustee pursuant to the Trust Deed)

WHEREAS:

- (A) This New Parent Guarantor Second Priority Deed of Guarantee and Charge is supplemental to the New Parent Guarantor Deed of Guarantee and Charge
- (B) Punch Taverns Finance B Limited (formerly known as Pubmaster Finance Limited) (the "**Issuer**") has issued, as at the Fifth Closing Date, the Class A3 Notes, the Class A6 Notes, the Class A7 Notes and the Class B3 Notes
- (C) Pursuant to the Trust Deed, the Parent Guarantor has guaranteed the obligations of the Issuer to pay principal and interest in respect of the Class A Notes
- (D) Pursuant to this New Parent Guarantor Second Priority Deed of Guarantee and Charge the Parent Guarantor will guarantee to the Issuer Security Trustee (for itself and on trust for the New Parent Guarantor Secured Creditors) payment and performance of the other Issuer Obligations and any other amounts due or obligations to be performed in accordance with the Transaction Documents and will secure this obligation to be performed in the manner set out in this Deed

THIS DEED WITNESSES AS FOLLOWS

1. DEFINITIONS

- 1 1 Capitalised terms in this Deed (including the recitals hereto) shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the Fourth Amended and Restated Master Definitions and Construction Schedule appended to the 2014 Restructuring Implementation Deed made between, *inter alios*, the parties hereto (as the same may be amended in accordance with the provisions thereof) (the “**Fourth Amended and Restated Master Definitions and Construction Schedule**”)

Interpretation

- 1 2 This Deed shall be construed in accordance with the rules of construction set out in the Fourth Amended and Restated Master Definitions and Construction Schedule

Construction

- 1 3 For the purposes of this Deed, “**full title guarantee**” shall be construed so that the covenants implied by the LP(MP) Act in the charges contained in or created pursuant to this Deed are construed with the omission of

(A) the words “other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about” in section 3(1)(b) LP(MP) Act, and

(B) section 6(2) LP(MP) Act

- 1 4 **Effectiveness**

This Deed shall become effective at the Fifth Closing Date Effective Time

2. GUARANTEE

- 2 1 Subject to Clause 2 2 (*Guarantee*), the Parent Guarantor as principal debtor and not merely as surety, hereby unconditionally and irrevocably guarantees to the Issuer Security Trustee (for itself and on trust for the New Parent Guarantor Secured Creditors)

(A) the due and punctual payment in accordance with the Transaction Documents of the Issuer Obligations and of any other amounts payable by the Issuer pursuant to or under the Transaction Documents, and

(B) the due and punctual performance and observance by the Issuer of each of the other provisions of the Transaction Documents on the Issuer's part to be performed or observed

2 2 Notwithstanding anything to the contrary in this Clause 2 (*Guarantee*), the Parent Guarantor does not guarantee under this Clause 2 (*Guarantee*)

(A) amounts or obligations that are guaranteed under clause 4 (*Guarantee*) of the Trust Deed, or

(B) amounts or obligations that are expressly excluded from the guarantee under clause 4 (*Guarantee*) of the Trust Deed,

and each reference in this Clause 2 (*Guarantee*) to the scope of the guarantee in this Clause 2 (*Guarantee*), the Issuer Obligations and the New Parent Guarantor Secured Creditors shall be construed accordingly

2 3 If the Issuer defaults in the payment on the due date of any monies payable under or pursuant to the Transaction Documents to any of the New Parent Guarantor Secured Creditors, the Parent Guarantor shall forthwith on demand made by the Issuer Security Trustee, unconditionally pay or cause to be paid to or to the order of the Issuer Security Trustee in London in pounds sterling in same day funds, the amount in respect of which such default has been made and any payment so made shall *pro tanto* cure such default by the Issuer

2 4 This guarantee is a continuing guarantee and shall remain in force until all Issuer Obligations payable by the Issuer to the New Parent Guarantor Secured Creditors under or pursuant to the Transaction Documents have been paid or provided for in full

2 5 The Parent Guarantor shall not be released from its obligations, including, but not limited to, in respect of any payment due to be made under this Clause 2 (*Guarantee*), under or pursuant to the Transaction Documents in any circumstances (notwithstanding anything which, but for this provision, would release the Parent Guarantor or would affect its liability under or pursuant to the Transaction Documents in respect of such payment), except upon the receipt by or for the account of the Issuer Security Trustee of the full amount of such payment from the Issuer or the Parent Guarantor in the currency, at the place and in the manner provided for in the Transaction Documents

2 6 If any payment received from the Issuer or the Parent Guarantor by the Issuer Security Trustee or any New Parent Guarantor Secured Creditor pursuant to the provisions of the Transaction Documents shall, on the subsequent bankruptcy, liquidation, winding up, insolvency or corporate reorganisation of the Issuer or the Parent Guarantor, as the case may be, or on the occurrence of any other similar event relating to the Issuer or the Parent Guarantor, as the case may be, be set aside or avoided under any laws relating to bankruptcy, liquidation, winding up, insolvency, corporate reorganisation or other such similar events, such payment shall not be considered as discharging or diminishing the liability of the Issuer or the Parent Guarantor, as the case may be, and this guarantee shall continue to apply as if such payment had at all times remained owing by the Issuer or the Parent Guarantor, as the case may be, and the Parent Guarantor shall indemnify the Issuer Security Trustee or New Parent Guarantor Secured Creditor, as the case may be, in respect thereof

2 7 Without prejudice to the generality of the foregoing provisions of this provision, the Parent Guarantor hereby accepts liability as if it were the principal debtor and not merely a surety. Accordingly, the Parent Guarantor shall be fully liable under this Clause 2 (*Guarantee*)

- (A) whether or not any action has been taken to enforce the same or any judgment obtained against the Issuer,
- (B) whether any time, indulgence, waiver or consent has been granted to the Issuer by or on behalf of the New Parent Guarantor Secured Creditors,
- (C) whether there have been any dealings or transactions between the Issuer and any of the New Parent Guarantor Secured Creditors and the Issuer Security Trustee,
- (D) whether the obligations of the Issuer under the Transaction Documents have ceased to exist pursuant to provisions of any applicable law relating to bankruptcy, liquidation, winding up, insolvency, corporate reorganisation or other similar events,
- (E) whether the Issuer has been dissolved, liquidated, merged, consolidated or bankrupted or has changed or lost its separate corporate identity, status or functions, or the control or ownership of the Issuer has changed, and
- (F) whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of, or a defence to, a guarantor

2 8 The Issuer Security Trustee may determine from time to time whether it will enforce this guarantee which it may do without making any demand of, or taking any proceedings against, the Issuer and may from time to time make any arrangement or compromise with the Parent Guarantor (without prejudice to the rights and obligations of the Issuer and the Parent Guarantor among themselves) in relation to this guarantee which the Issuer Security Trustee may consider expedient in the interests of the New Parent Guarantor Secured Creditors

2 9 The Parent Guarantor hereby

- (A) waives diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger, consolidation or bankruptcy of the Issuer, protest or notice with respect to the Transaction Documents and all demands whatsoever, and
- (B) covenants and undertakes that this guarantee
 - (i) shall be a continuing guarantee,
 - (ii) shall extend to the ultimate balance of all sums payable and obligations owed by the Issuer under the Transaction Documents,

- (iii) shall not be discharged except by complete performance of the obligations of the Issuer contained in the Transaction Documents, and
- (iv) is, subject to Clause 9 1 (*Conflict*) below, additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Parent Guarantor or otherwise

- 2 10 The Parent Guarantor shall not prove in the liquidation or winding up of the Issuer or exercise any other rights against the Issuer in competition with the Issuer Security Trustee or the New Parent Guarantor Secured Creditors unless and until all amounts payable under the Transaction Documents by the Issuer shall have been paid in full. If, notwithstanding the foregoing, upon the bankruptcy or winding up of the Issuer, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Parent Guarantor in respect of any amounts paid by it under this clause before payment in full of all amounts payable to the New Parent Guarantor Secured Creditors, such payment or distribution shall be received by the Parent Guarantor on trust to pay the same over immediately to the Issuer Security Trustee for application in or towards the payment of all sums remaining unpaid to the New Parent Guarantor Secured Creditors
- 2 11 Any amount from time to time received by the Issuer Security Trustee under this guarantee shall be applied by the Issuer Security Trustee in accordance with the provisions of Clause 8 (*Application of monies subsequent to enforcement*) below
- 2 12 All payments to be made by the Parent Guarantor hereunder shall be made without set off or counterclaim
- 2 13 The Parent Guarantor shall indemnify the Issuer Security Trustee on its own behalf against any taxes, duties, assessments or governmental charges (other than on the Issuer Security Trustee's own overall net income, profit or gains) of whatever nature imposed, levied, collected or assessed by or within the Cayman Islands or the United Kingdom (or of any political subdivision thereof) or any authority or agency therein or thereof having power to tax or any of them by reason of the receipt of payments under this Deed

3. COVENANT TO PAY

The Parent Guarantor covenants with and undertakes to the Issuer Security Trustee for itself and on trust for the New Parent Guarantor Secured Creditors that it will duly and punctually pay and discharge the New Parent Guarantor Obligations in the manner set out in Clause 2 (*Guarantee*) above and the other provisions of this Deed, as the case may be

4. SECURITY AND DECLARATION OF TRUST

Contractual Rights

- 4 1 Subject to clause 4 1 (*Contractual Rights*) of the New Parent Guarantor Deed of Guarantee and Charge, the Parent Guarantor, by way of second fixed security for the

payment or discharge of the New Parent Guarantor Obligations, subject to Clause 7 (*Release of New Parent Guarantor Second Priority Charged Property*) of this Deed, hereby charges, conveys, transfers and assigns (and to the extent not assigned, charges) by way of security to the Issuer Security Trustee on trust for itself and the other New Parent Guarantor Secured Creditors all of its rights, title, interest and benefit, present and future, in, to and under

- (A) the Second New Notes Subscription Agreement,
- (B) the Fourth Supplemental Trust Deed,
- (C) the Fifth Supplemental Trust Deed,
- (D) the Second Amended and Restated Tax Deed of Covenant,
- (E) the Third Amended and Restated Tax Deed of Covenant,
- (F) the other Transaction Documents to which it is a party, and
- (G) all other Transaction Documents, agreements, contracts, deeds and other instruments to which the Parent Guarantor is now or will hereafter become a party,

including all rights to receive payment of any amounts which may become payable to the Parent Guarantor thereunder and all payments received by the Parent Guarantor thereunder including, without limitation, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain other relief in respect thereof

New Parent Guarantor Securities

- 4.2 The Parent Guarantor, by way of second ranking fixed security for the payment or discharge of the New Parent Guarantor Obligations, subject to Clause 7 (*Release of New Parent Guarantor Second Priority Charged Property*), hereby charges by way of equitable mortgage to the Issuer Security Trustee on trust for itself and the other New Parent Guarantor Secured Creditors all of its right, title, interest and benefit, present and future, in and to all shares, stocks, debentures and other securities (if any) of any subsidiaries owned by it and/or by any nominee on its behalf including the New Parent Guarantor Securities, now or in the future from time to time, and all its right, title, interest and benefit in, and options to acquire, securities for the time being owned by it and/or any nominee on its behalf, now or in the future, and all dividends and interest paid or payable in relation thereto and all shares, securities, rights, money or property accrued or offered and at any time in relation to such shares or other securities by way of redemption, substitution, exchange, bonus or preference in respect of or incidental or ancillary thereto

Floating Charge

- 4 3 The Parent Guarantor, by way of security for the payment or discharge of the New Parent Guarantor Obligations, subject to Clause 7 (*Release of New Parent Guarantor Second Priority Charged Property*), hereby charges to the Issuer Security Trustee by way of second ranking floating charge the whole of its undertaking and all its property and assets whatsoever and wheresoever, present and future, including without limitation its uncalled capital, other than any property or assets from time to time or for the time being by Clauses 4 1 (*Contractual Rights*) and 4 2 (*New Parent Guarantor Securities*) effectively charged by way of second charge or otherwise effectively assigned as security (but declaring that the foregoing exclusion shall not extend to any part of the Parent Guarantor's undertaking, property or assets, present and future, situated in or the rights to which are governed by the law of Scotland, all of which undertaking, property and assets are charged by the floating charge hereby created)
- 4 4 Paragraph 14 of schedule B1 to the Insolvency Act 1986 (incorporated by schedule 16 of the Enterprise Act 2002) shall apply to all floating charges created pursuant to this Deed

Full Title Guarantee

- 4 5 Each of the dispositions of or charges over property effected in or pursuant to Clause 4 (*Security and declaration of trust*) is made with full title guarantee (other than the charges, encumbrances, interests and rights created under the Parent Guarantor Deed of Guarantee and Charge, the Parent Guarantor Second Priority Deed of Guarantee and Charge, and the New Parent Guarantor Deed of Guarantee and Charge) (or in relation to assets situated in or governed by the laws of Scotland, with absolute warrandice)

Declaration of Trust

- 4 6 The Issuer Security Trustee hereby declares itself trustee for the New Parent Guarantor Secured Creditors of all the covenants, undertakings, charges, assignments, assignations and other security interests made or given or to be made or given by the Parent Guarantor under or pursuant to this Deed and the other Transaction Documents to which it is a party in respect of the New Parent Guarantor Obligations, upon and subject to the terms and conditions of this Deed
- 4 7 Without prejudice to the rights of the Issuer Security Trustee after the security created under this Deed has become enforceable, the Parent Guarantor hereby authorises the Issuer Security Trustee, prior to the security created by or pursuant to this Deed becoming enforceable, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of the Transaction Documents to which it is a party referred to in Clause 4 1 (*Contractual Rights*) in such manner as in its absolute discretion it shall think fit For the avoidance of doubt, the Issuer Security Trustee shall not be required to have regard to the interests of the Parent Guarantor in the exercise or non-exercise of any such rights, powers, authorities, discretions and remedies or to comply with any direction given by the Parent Guarantor in relation thereto

- 4 8 The guarantee and security granted by the Parent Guarantor in Clauses 2 (*Guarantee*) and 4 (*Security and declaration of trust*) (respectively) of this Deed are granted in consideration of each New Parent Guarantor Secured Creditor entering into the Relevant Documents to which it is a party and payment of £1,000 to the Parent Guarantor by the Borrower (on behalf of the New Parent Guarantor Secured Creditors), receipt of which is hereby acknowledged

5 ACKNOWLEDGEMENTS AND UNDERTAKINGS

- 5 1 Prior to the service of a New Parent Guarantor Enforcement Notice, the Parent Guarantor shall remain entitled to exercise all its rights, powers and discretions under the relevant Transaction Document, subject always to Clause 25 2(G) (*Representations, Covenants and Warranties*) below. Upon the service of a New Parent Guarantor Enforcement Notice all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Issuer Security Trustee or as it directs

6. PERFECTION OF SECURITY

Registrar of Companies

- 6 1 The Parent Guarantor undertakes to the Issuer Security Trustee (for itself and on behalf of the other New Parent Guarantor Secured Creditors) to file or procure the filing with the Registrar pursuant to section 859A of the Companies Act 2006 of
- (A) duly completed Form MR01 together with a certified copy of this Deed within 21 days after the date of creation of the security pursuant to this Deed, and
 - (B) a duly completed Form MR01 together with a certified copy of each further supplemental deed to this Deed within 21 days after the date of creation of such further supplemental deed

Dividends and Voting

- 6 2 For the avoidance of doubt, until a New Parent Guarantor Enforcement Notice has been served
- (A) return of capital, repayment of capital or other distributions that are paid or made in respect of the New Parent Guarantor Securities or any other securities charged pursuant to Clause 4 2 (*New Parent Guarantor Securities*) shall continue to be paid to or for the benefit of the Parent Guarantor,
 - (B) subject to Clauses 6 2(C) and 6 2(D) (*Dividends and Voting*) of this Deed, all voting and other rights and powers attached to the New Parent Guarantor Securities or any other securities charged pursuant to Clause 4 2 (*New Parent Guarantor Securities*) shall continue to be exercisable by the registered holder in respect of such New Parent Guarantor Securities or any other securities charged pursuant to Clause 4 2 (*New Parent Guarantor Securities*),

- (C) the Parent Guarantor undertakes to each of the New Parent Guarantor Secured Creditors and the Issuer Security Trustee not to vote on or to approve any shareholder resolution (written or otherwise) proposed to be put to or which is put to it in its capacity as shareholder, which may, in any way whatsoever, jeopardise or prejudice or be inconsistent with the terms of the Encumbrances created under or pursuant to this Deed,
- (D) the Parent Guarantor undertakes to each of the New Parent Guarantor Secured Creditors and the Issuer Security Trustee, not to vote on or approve any shareholder resolution (written or otherwise) proposed or put to it as the shareholder of the New Parent Guarantor Securities, which relates to the solvent or insolvent winding-up of the Issuer, the Borrower, Sister, Centrum or IGL, and
- (E) the Parent Guarantor shall provide the Issuer Security Trustee with a copy of any resolution to be considered by it as shareholder in the Issuer, the Borrower, Sister, Centrum or IGL not less than five Business Days prior to the relevant shareholders' meeting (or if such resolution is to be a written resolution, not less than five Business Days prior to the date on which such resolution is to be signed by the shareholders)

6.3 After a New Parent Guarantor Enforcement Notice has been given, the Issuer Security Trustee may, but in no circumstances shall be obliged to, exercise (in the name of the Parent Guarantor and without the further consent or authority of the Parent Guarantor) any voting rights and any powers or rights which may be exercised by the person or persons in whose name any securities charged pursuant to Clause 4.2 (*New Parent Guarantor Securities*) are registered or who is the holder of any of them

7. RELEASE OF NEW PARENT GUARANTOR SECOND PRIORITY CHARGED PROPERTY

Upon proof being given to the satisfaction of the Issuer Security Trustee as to the irrevocable and unconditional payment or discharge of all the New Parent Guarantor Obligations, the Issuer Security Trustee, at the request and cost of the Parent Guarantor, shall release, reassign or discharge (as appropriate) the New Parent Guarantor Second Priority Charged Property to, or to the order of, the Parent Guarantor

8. APPLICATION OF MONIES SUBSEQUENT TO ENFORCEMENT

Except as otherwise provided in Clause 12 (*Releases following the service of a New Parent Guarantor Enforcement Notice*), all monies received or recovered by the Issuer Security Trustee or the Receiver for the benefit of the New Parent Guarantor Secured Creditors in respect of the New Parent Guarantor Obligations after the service of a New Parent Guarantor Enforcement Notice shall be applied in the same order of priority as specified in the Relevant Issuer Priority of Payments as if such priority of payments were set out *mutatis mutandis* herein. The application of payments pursuant to the Relevant Issuer Priority of Payments shall discharge *pro tanto* the New Parent Guarantor Obligations

9. CONFLICT, MODIFICATION, WAIVER AND AUTHORISATION AND SUBSTITUTION

Conflict

- 9 1 When having regard to the interests of the New Parent Guarantor Secured Creditors, clause 9 (*Conflict*) of the Issuer Deed of Charge shall apply and the New Parent Guarantor Secured Creditors shall be considered in their capacity as the relevant class of Issuer Secured Creditors for the purposes hereof and their interests shall be considered in the context of the Issuer Secured Creditors as a whole

Modification, Waiver, Authorisation and Substitution

- 9 2 Any proposed or requested modification, waiver or authorisation of breach by the Parent Guarantor shall be governed by the provisions set out in clause 10 (*Modification, waiver, authorisation and substitution*) of the Issuer Deed of Charge and the New Parent Guarantor Secured Creditors shall be considered in their capacity as the relevant class of Issuer Secured Creditors for the purposes hereof and their interests shall be considered in the context of the Issuer Secured Creditors as a whole

10. INTERACTION WITH THE PARENT GUARANTOR SECOND PRIORITY DEED OF CHARGE

- 10 1 The Parent Guarantor, the Note Trustee and the Issuer Security Trustee agree and acknowledge that pursuant to the Parent Guarantor Second Priority Deed of Charge, the Parent Guarantor Second Priority Security has been created, either prior to the date of this Deed or on the date of this Deed, in favour of the Issuer Security Trustee (for itself and on trust for the Parent Guarantor Secured Creditors) over the Parent Guarantor Second Priority Charged Property
- 10 2 The Parent Guarantor, the Note Trustee and the Issuer Security Trustee agree and acknowledge that from the Fourth Closing Date, the New Parent Guarantor Second Priority Security created pursuant to this Deed shall rank *pari passu* with the Parent Guarantor Second Priority Security
- 10 3 The Parent Guarantor, the Note Trustee and the Issuer Security Trustee agree and acknowledge that from the Fourth Closing Date, all proceeds of the enforcement of both the Parent Guarantor Second Priority Security and the New Parent Guarantor Second Priority Security shall be available equally to discharge both the Parent Guarantor Obligations and the New Parent Guarantor Obligations and shall be applied in the manner set out in the Relevant Issuer Priority of Payments in accordance with Clause 8 (*Application of monies subsequent to enforcement*) of this Deed

11. THE ISSUER SECURITY TRUSTEE'S POWERS

Enforceable

- 11 1 Subject to the provisions of this Deed, where the New Parent Guarantor Obligations have become due and payable but remaining unpaid or an Issuer Enforcement Notice

has been served, the Issuer Security Trustee shall serve a notice on the Parent Guarantor and will forward a copy of such notice to the Note Trustee

Upon New Parent Guarantor Second Priority Security becoming enforceable

- 11.2 The security created under this Deed shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the 1925 Act, as varied or amended by this Deed, shall, in accordance with this Clause 11 (*The Issuer Security Trustee's powers*), be exercisable by the Issuer Security Trustee at any time following service of a New Parent Guarantor Enforcement Notice. The Issuer Security Trustee shall deliver a copy of any New Parent Guarantor Enforcement Notice to
- (A) the Liquidity Facility Provider (in respect of the Liquidity Facility Agreement),
 - (B) each of the Obligors (in respect of the Issuer/Borrower Facility Agreement and the Punch Taverns B Deed of Charge),
 - (C) each of the Rating Agencies,
 - (D) the Servicer (in respect of the Servicing and Cash Management Agreement),
 - (E) the Existing Notes Agent Bank, the First New Notes Agent Bank, the Second New Notes Agent Bank, the Third New Notes Agent Bank and the Paying Agents (in respect of the Existing Notes Agency Agreement, the First New Notes Agency Agreement, the Second New Notes Agency Agreement and the Third New Notes Agency Agreement, respectively),
 - (F) the Swap Providers (in respect of the Swap Agreements), and
 - (G) the Account Bank (in respect of the Bank Agreement)
- 11.3 Following service of a New Parent Guarantor Enforcement Notice as set out in Clause 11.2 (*Upon New Parent Guarantor Second Priority Security becoming enforceable*), the Issuer Security Trustee may, at its sole discretion and without further notice or consent of any of the New Parent Guarantor Secured Creditors, and, if directed by the Class A Noteholders or any other New Parent Guarantor Secured Creditor in accordance with this Clause 11.3 (*Upon New Parent Guarantor Second Priority Security becoming enforceable*), take such steps and/or initiate such proceedings as it may think fit (or is directed by the Class A Noteholders or any New Parent Guarantor Secured Creditor to take or initiate) to enforce the New Parent Guarantor Second Priority Security constituted pursuant to this Deed in accordance with the terms of this Deed and release and/or otherwise liquidate the New Parent Guarantor Second Priority Charged Property and/or take possession of all or any part of the New Parent Guarantor Second Priority Charged Property and/or to exercise all rights, actions and privileges granted by English law or the laws applicable to any other relevant jurisdiction, to a secured creditor in relation to the New Parent Guarantor Second Priority Charged Property
- 11.4 The Issuer Security Trustee shall not be bound to take any steps or institute any proceedings or to take any other action under or in connection with any of the

Transaction Documents (including without limitation, enforcing the security constituted by or pursuant to this Deed) unless

- (A) it is indemnified and/or secured to its satisfaction in its absolute discretion (and for this purpose the Issuer Security Trustee may, before taking any such steps, proceedings or other action and without limiting its right to make further demands, require those providing the indemnity to deposit cash with, or provide other security to, the Issuer Security Trustee for the indemnity on terms specified by the Issuer Security Trustee in its absolute discretion at the time) against all liabilities, proceedings, claims and demands to which it may become liable and all costs, charges and expenses which may be incurred by it in connection with or arising from the taking of such steps, proceedings or other action, and
- (B)
 - (i) the Issuer Security Trustee shall have been directed to do so by the Note Trustee, or
 - (ii) the Issuer Security Trustee shall have been requested to do so by any New Parent Guarantor Secured Creditor,

provided that

- (A) for so long as any Class A Notes are outstanding, the Issuer Security Trustee shall not, and shall not be bound to, act at the direction of any New Parent Guarantor Secured Creditor as aforesaid if, in the opinion of the Security Trustee, to do so would not satisfy the No Material Prejudice Test in relation to the interests of the Class A Noteholders, unless such action is sanctioned by an Extraordinary Resolution of the Class A Noteholders, and
- (B) if there are no Class A Notes outstanding, the Issuer Security Trustee is not bound to act on a request from any other New Parent Guarantor Secured Creditor if to do so would not satisfy the No Material Prejudice Test for the highest ranking Issuer Secured Creditor

Amounts Due

- 11 5 The New Parent Guarantor Obligations shall become due for the purposes of section 101 of the 1925 Act and the statutory power of sale and of appointing a receiver which are conferred on the Issuer Security Trustee under the 1925 Act (as varied or extended by this Deed) and all other powers shall be deemed to arise immediately after execution of this Deed

Power of Sale

- 11 6 Section 103 of the 1925 Act shall not apply in relation to any of the charges contained in this Deed and the statutory power of sale (as extended by this Deed) and all other powers shall be exercisable at any time after service of a New Parent Guarantor Enforcement Notice

Law of Property Act 1925

11 7 The provisions of the 1925 Act relating to the power of sale and the other powers conferred by sections 101(1) and (2), are hereby extended in relation to the Parent Guarantor (as if such extensions were contained therein) to authorise the Issuer Security Trustee at its absolute discretion at any time following the service of a New Parent Guarantor Enforcement Notice and subject to the Issuer Security Trustee being indemnified and/or secured to its satisfaction (in its absolute discretion) in relation to the exercise of such powers

- (A) to make demand in the name of the New Parent Guarantor Secured Creditors or in its own right for any monies and liabilities in respect of the New Parent Guarantor Second Priority Charged Property,
- (B) to sell the title to or interest of the Parent Guarantor, in the New Parent Guarantor Second Priority Charged Property, and to do so for any shares, debentures or other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price at a later date or dates, or an agreement to make periodical payments, whether or not the agreement is secured by an Encumbrance or a guarantee, or for such other consideration whatsoever as the Issuer Security Trustee may think fit, and also to grant any option to purchase, and to effect exchanges of, any of the New Parent Guarantor Second Priority Charged Property,
- (C) with a view to or in connection with the sale of the New Parent Guarantor Second Priority Charged Property, to carry out any transaction, scheme or arrangement which the Issuer Security Trustee may, in its absolute discretion, consider appropriate, and
- (D) to do all or any of the things or exercise all or any of the powers which are mentioned or referred to in Clause 13 11 (*Powers*) as if each of them was expressly conferred on the Issuer Security Trustee by this Deed and which may not be included in Paragraphs (A) to (C) above

11 8 The Issuer Security Trustee may, at any time after the service of a New Parent Guarantor Enforcement Notice, apply to the court for an order that the powers and trusts of this Deed be exercised or carried into execution under the direction of the court and for the appointment of a Receiver of the New Parent Guarantor Second Priority Charged Property or any part thereof and for any other order in relation to the execution and administration of the powers and trusts hereof as the Issuer Security Trustee shall deem expedient, and it may assent to or approve any application to the court made at the instance of

- (A) the Note Trustee, until all of the Class A Notes have been redeemed in full, and
- (B) following the redemption in full of all the Class A Notes, the Issuer Secured Creditor appearing highest in the order of the Relevant Issuer Priority of Payments to whom any amounts are owed under this Deed

- 11 9 Any monies which under the trusts of this Deed and the Trust Deed ought to or may be invested by the Issuer Security Trustee after service of a New Parent Guarantor Enforcement Notice may be invested in the name or under the control of the Issuer Security Trustee in any Eligible Investments and the Issuer Security Trustee may at any time vary or transfer any of such Eligible Investments for or into other such Eligible Investments as the Issuer Security Trustee at its absolute discretion may determine, and shall not be responsible (save where any loss results from the Issuer Security Trustee's fraud, wilful default or gross negligence or that of its officers, employees or agents) for any loss occasioned by reason of any such investments whether by depreciation in value or otherwise provided that such Eligible Investments were made in accordance with the foregoing provisions
- 11 10 The Issuer Security Trustee shall have no responsibility whatsoever to any New Parent Guarantor Secured Creditor as regards any deficiency or additional payment, as the case may be, which might arise because the Issuer Security Trustee is subject to any Tax in respect of the New Parent Guarantor Second Priority Charged Property or any part thereof or any income therefrom or any proceeds thereof

Pensions

- 11 11 The Issuer Security Trustee is entitled to refrain from taking any action which might result in it becoming connected or associated with any company in the New Securitisation Group which has a defined benefit pension scheme, unless clearance has been obtained from the Pensions Regulator in respect of such action

12. RELEASES FOLLOWING SERVICE OF A NEW PARENT GUARANTOR ENFORCEMENT NOTICE

Clause 12 (*Releases following service of a New Parent Guarantor Enforcement Notice*) of the New Parent Guarantor Deed of Guarantee and Charge shall apply, *mutatis mutandis*, to this Deed

13. RECEIVER

Appointment

- 13 1 At any time following the service of a New Parent Guarantor Enforcement Notice, the Issuer Security Trustee may, and subject to Clause 13 2 (*Appointment of Administrative Receiver*) shall (subject in any case to it being indemnified and/or secured to its satisfaction) appoint, by writing or by deed, such person or persons (including an officer or officers of the Issuer Security Trustee) as the Issuer Security Trustee thinks fit, to be a Receiver of the New Parent Guarantor Second Priority Charged Property or any part thereof and, in the case of an appointment of more than one person, to act together or independently of the other or others

Appointment of Administrative Receiver

- 13 2 If any person who is entitled to do so presents an application for the appointment of an administrator of the Parent Guarantor, a notice of intention to appoint an administrator of

the Parent Guarantor is received by the Issuer Security Trustee or documents are filed with the court or registrar for the administration of the Parent Guarantor (whether out of court or otherwise), the Issuer Security Trustee shall upon receipt of such application or notice

- (A) within four business days of receipt or presentation of the application for the appointment of an administrator or, if the applicant has abridged the time for making the application, within such abridged time,
- (B) within four business days of receipt of the notice of intention to appoint an administrator or, if the applicant has abridged the time for making the application, within such abridged time, or
- (C) within one business day of receipt of written notice of appointment of an administrator pursuant to section 15 of schedule B1 of the Insolvency Act 1986 or, if the applicant has abridged the time for making the application, within such abridged time,

appoint, by writing or deed, such person or persons (including an officer or officers of the Issuer Security Trustee) as the Issuer Security Trustee considers appropriate to be an administrative receiver of the Parent Guarantor and, in the case of the appointment of more than one person, to act together or independently of the other or others

- 13 3 For the purposes of Clause 13 2 (*Appointment of Administrative Receiver*), business day shall have the meaning given to it in the Insolvency Act 1986
- 13 4 If the Issuer Security Trustee is unable to appoint an administrative receiver in accordance with the provisions of Clause 13 2(A) (*Appointment of Administrative Receiver*) prior to the hearing of an application brought pursuant to the Insolvency Act 1986, the Issuer Security Trustee shall attend the hearing of the application to oppose the application or make such submissions in respect of the application as the Issuer Security Trustee in its absolute discretion determines to be appropriate. The Issuer Security Trustee shall not be liable for any failure to appoint an administrative receiver hereunder, save in the case of its own gross negligence, wilful default or fraud

Indemnity

- 13 5 Save as set out in the next sentence, the Issuer Security Trustee will not be obliged to appoint an administrative receiver unless it is indemnified and/or secured to its satisfaction. If the Issuer Security Trustee is required to appoint an administrative receiver pursuant to Clause 13 2 (*Appointment of Administrative Receiver*), the Issuer Security Trustee agrees that it is adequately indemnified and secured in respect of such appointment by virtue of its rights against the Parent Guarantor under this Deed and the security that it has in respect of such rights
- 13 6 The Parent Guarantor hereby agrees that, in the event that the Issuer Security Trustee appoints an administrative receiver in the circumstances referred to in Clause 13 2 (*Appointment of Administrative Receiver*), it waives any claim against the Issuer Security Trustee in respect of such appointment

Removal and Replacement

- 13 7 Except as otherwise required by law, the Issuer Security Trustee may by writing or by deed (a) remove a Receiver whether or not appointing another in his place or another to act with an existing Receiver or (b) appoint another Receiver if the Receiver resigns. The Issuer Security Trustee may apply to the court for an order removing an administrative receiver (as that expression is defined in the Insolvency Act 1986). For the avoidance of doubt, no delay or waiver of the right to exercise the power to appoint a Receiver shall prejudice the future exercise of such power.

Extent of Appointment

- 13 8 The exclusion of any part of the New Parent Guarantor Second Priority Charged Property from the appointment of the Receiver shall not preclude the Issuer Security Trustee from subsequently extending his or their appointment (or that of the Receiver replacing him or them) to that part of the New Parent Guarantor Second Priority Charged Property or appointing another Receiver over any other part of the New Parent Guarantor Second Priority Charged Property.

Agent of the Parent Guarantor

- 13 9 The Receiver shall be the agent of the Parent Guarantor and the Parent Guarantor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions, misconduct, negligence, default or bad faith and for liabilities incurred by him and in no circumstances whatsoever shall the Issuer Security Trustee be in any way responsible for or incur any liability in connection with the Receiver's contracts, engagements, acts, omissions, misconduct, negligence or default, and if a liquidator of the Parent Guarantor shall be appointed, the Receiver shall act as principal and not as agent for the Issuer Security Trustee. Notwithstanding the generality of the foregoing, such Receiver shall in the exercise of his powers, authorities and discretions conform to the regulations (if any) from time to time made and given in writing by the Issuer Security Trustee.

Remuneration

- 13 10 The remuneration of a Receiver shall be fixed by the Issuer Security Trustee and may be or include a commission calculated by reference to the gross amount of all monies received or otherwise and may include remuneration in connection with claims, actions or proceedings made or brought against the Receiver by the Parent Guarantor or any other person or the performance or discharge of any obligation imposed upon him by statute or otherwise) but subject to Clause 8 (*Application of monies subsequent to enforcement*), such remuneration shall be payable hereunder by the Parent Guarantor alone. The amount of such remuneration shall be paid in accordance with the terms and conditions agreed from time to time between the Receiver, the Issuer Security Trustee and the New Parent Guarantor Secured Creditors.

Powers

- 13 11 The Receiver of the Parent Guarantor, in addition to any powers conferred on an administrative receiver, receiver, manager or receiver and manager by statute or

common law (including, without limitation, schedule 1 of the Insolvency Act 1986, regardless of whether the Receiver is an administrative receiver), shall have the following powers

- (A) to enter upon, take possession of, get in and collect the New Parent Guarantor Second Priority Charged Property (or such part thereof in respect of which he may be appointed) or any part thereof including income whether accrued before or after the date of his appointment,
- (B) to carry on, manage, concur in or authorise the management of, or appoint a manager of, the whole or any part of the business of the Parent Guarantor,
- (C) to sell, exchange, license, surrender, release, disclaim, abandon, return or otherwise dispose of or in any way whatsoever deal with the New Parent Guarantor Second Priority Charged Property or any part thereof for such consideration (if any) and upon such terms (including by deferred payment or payment by instalments) as he may think fit and to concur in any such transaction,
- (D) to sell or concur in selling the whole or any part of the Parent Guarantor's business whether as a going concern or otherwise,
- (E) to appoint, engage, dismiss or vary the terms of employment of any employees, officers, managers, agents and advisers of the Parent Guarantor upon such terms as to remuneration and otherwise and for such periods as he may determine,
- (F) in connection with the exercise or the proposed exercise of any of his powers or in order to obtain payment of his remuneration (whether or not it is already payable), to borrow or raise money from any person including the Issuer Security Trustee without security or on the security of any of the New Parent Guarantor Second Priority Charged Property and generally in such manner and on such terms as he may think fit,
- (G) to bring, enforce, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims, disputes and proceedings with or by any person who is or claims to be a New Parent Guarantor Secured Creditor or relating in any way to the New Parent Guarantor Second Priority Charged Property or any part thereof,
- (H) to transfer all or any of the New Parent Guarantor Second Priority Charged Property and/or any of the liabilities of the Parent Guarantor to any other company or body corporate, whether or not formed or acquired for the purpose and to form a subsidiary or subsidiaries of the Parent Guarantor,
- (I) to call up, or require the directors of the Parent Guarantor to call up, all or any portion of the uncalled capital for the time being of the Parent Guarantor and to enforce payment of any call by action (in the name of the Parent Guarantor or the Receiver as may be thought fit),

- (J) to redeem, discharge or compromise any Encumbrance from time to time having priority to or ranking *par passu* with the Encumbrances created pursuant to this Deed,
- (K) to effect or maintain indemnity insurance and other insurance (including, without limitation, the Insurance Policies) and obtain bonds and performance guarantees,
- (L) in connection with the exercise of any of his powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Parent Guarantor or otherwise, as he may think fit, all documents, receipts, registrations, acts or things which he may consider appropriate,
- (M) to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the New Parent Guarantor Second Priority Charged Property or incidental to the ownership of or rights in or to any of the New Parent Guarantor Second Priority Charged Property and to complete or effect any transaction entered into by the Parent Guarantor and complete, disclaim, abandon or modify all or any of the outstanding contracts or arrangements of the Parent Guarantor relating to or affecting the New Parent Guarantor Second Priority Charged Property,
- (N) to exercise all powers as are described in schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver as defined in that Act,
- (O) to pay and discharge out of the profits and income of the New Parent Guarantor Second Priority Charged Property and the monies to be made by it in carrying on the business of the Parent Guarantor the expenses incurred in and about the carrying on and management of the business or in the exercise of any of the powers conferred by this Clause 13 11 (*Powers*) or otherwise in respect of such New Parent Guarantor Second Priority Charged Property and all outgoings which it shall think fit to pay and to apply the residue of the said profits, income or monies in the manner provided by Clause 8 (*Application of monies subsequent to enforcement*) hereof,
- (P) generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the New Parent Guarantor Second Priority Charged Property which he may consider expedient as effectually as if he were solely and absolutely entitled to the New Parent Guarantor Second Priority Charged Property, and
- (Q) in addition
 - (i) to do all other acts and things which he may consider desirable or necessary for realising any of the New Parent Guarantor Second Priority Charged Property or incidental or conducive to any of the rights,

powers or discretions conferred on the Receiver under or by virtue of this Deed, and

- (ii) to exercise in relation to any of the New Parent Guarantor Second Priority Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of the same,

and may use the name of the Parent Guarantor for any of the above purposes

13 12 The Issuer Security Trustee may pay over to the Receiver any monies constituting part of the New Parent Guarantor Second Priority Charged Property to the intent that the same may be applied for the purposes referred to in Clause 8 (*Application of monies subsequent to enforcement*) by such Receiver and the Issuer Security Trustee may from time to time determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver

13 13 If, at any time after the occurrence of an Issuer Event of Default

- (A) the circumstances giving rise to that Issuer Event of Default have ceased to exist,
- (B) the New Parent Guarantor Obligations have not been declared immediately due and payable, and
- (C) no other Issuer Event of Default or Potential Issuer Event of Default then exists,

the Issuer Security Trustee shall notify the Rating Agencies and the Issuer Secured Creditors of the fact and shall forthwith cause the removal of any Receiver appointed by the Issuer Security Trustee under this Deed

14. PROTECTION OF THIRD PARTIES

Enquiry

14 1 No purchaser from, or other person dealing with, the Issuer Security Trustee or a Receiver shall be concerned to enquire whether any of the powers exercised or purported to be exercised has arisen or become exercisable, whether any New Parent Guarantor Obligations remain outstanding or have become payable, whether the Receiver is authorised to act or as to the propriety or validity of the exercise or purported exercise of any power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters and the protections contained in sections 104 to 107 of the 1925 Act shall apply to any person purchasing from or dealing with a Receiver or the Issuer Security Trustee

Receipts

14 2 The receipt of the Issuer Security Trustee or the Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the

application of any monies paid to or by the direction of the Issuer Security Trustee or the Receiver

15. PROTECTION OF ISSUER SECURITY TRUSTEE AND RECEIVER

Liability

- 15 1 Neither the Issuer Security Trustee nor the Receiver of the Parent Guarantor shall be liable to that company in the absence of wilful default, fraud, gross negligence or wilful misconduct on their part or that of their officers, employees or agents in respect of any loss or damage which arises out of the exercise or the attempted or purported exercise of or failure to exercise any of their respective powers

Possession

- 15 2 Without prejudice to the generality of Clause 15 3 (*Mortgagee in possession*), entry into possession of the New Parent Guarantor Second Priority Charged Property shall not render the Issuer Security Trustee or the Receiver of the Parent Guarantor liable to account as mortgagee or security holder in possession of the Parent Guarantor. If and whenever the Issuer Security Trustee or the Receiver enters into possession of the New Parent Guarantor Second Priority Charged Property, it shall be entitled at any time to go out of such possession

Mortgagee in possession

- 15 3 Neither the Issuer Security Trustee nor the New Parent Guarantor Secured Creditors shall, by reason of any assignment or other security made under this Deed, be or be deemed to be a mortgagee or security holder in possession nor shall they take any action (other than, in the case of the New Parent Guarantor Secured Creditors, with the Issuer Security Trustee's prior written consent) which would be likely to lead to the New Parent Guarantor Secured Creditors or the Issuer Security Trustee becoming a mortgagee or security holder in possession in respect of any property referred to in this Deed. The Issuer Security Trustee, in its absolute discretion, may at any time, serve a written notice on the New Parent Guarantor Secured Creditors requiring the New Parent Guarantor Secured Creditors from the date such notice is served to obtain the Issuer Security Trustee's prior written consent before taking any action which would be likely to lead to the New Parent Guarantor Secured Creditors or the Issuer Security Trustee becoming a mortgagee or heritable creditor in possession in respect of any property referred to in this Deed

Indemnity required

- 15 4 The Issuer Security Trustee shall not be obliged to exercise any of its rights or perform any of its obligations to take any other action pursuant to this Deed or any other Relevant Document unless and until it has been indemnified and/or secured and/or prefunded to its satisfaction against all losses, claims, damages, costs, expenses and other liabilities whatsoever to which it may become liable or to which it may incur as a result thereof

16. EXPENSES AND INDEMNITY

Expenses

- 16 1 The Parent Guarantor covenants with and undertakes to the Issuer Security Trustee to reimburse or pay to the Issuer Security Trustee or the relevant Receiver (on the basis of a full indemnity) the amount of all costs (including legal costs), charges and expenses (including insurance premiums) properly incurred or sustained by the Issuer Security Trustee or the Receiver (including, for the avoidance of doubt, any such costs, charges and expenses arising from any act or omission of, or proceedings involving, any third person) in connection with
- (A) any investigation of title to or any survey, inspection or valuation of any of the New Parent Guarantor Second Priority Charged Property or under or in connection with this Deed, and the preparation, registration, recording or perfecting of this Deed (or any of the charges contained in or granted pursuant to it), or any other document entered into between, *inter alios*, the Parent Guarantor and the Issuer Security Trustee,
 - (B) in circumstances where the Issuer Security Trustee believes the security constituted by or granted pursuant to this Deed to be enforceable, the exercise or the attempted exercise, or the consideration of the exercise by or on behalf of the Issuer Security Trustee or the Receiver of any of the powers of the Issuer Security Trustee or the Receiver, and the enforcement, preservation or attempted preservation of this Deed (or any of the charges contained in or granted pursuant to it) or any of the New Parent Guarantor Second Priority Charged Property or any other action taken by or on behalf of the Issuer Security Trustee or the Receiver with a view to or in connection with the recovery by the Issuer Security Trustee or the Receiver of the New Parent Guarantor Obligations of the Parent Guarantor or any other person, or
 - (C) the carrying out of any other act or matter which the Issuer Security Trustee or the Receiver may reasonably consider to be necessary for the preservation, improvement or benefit of the New Parent Guarantor Second Priority Charged Property and which the Parent Guarantor is required to do pursuant to any of the Transaction Documents but which it has not done

Indemnity

- 16 2 The Parent Guarantor agrees to indemnify the Issuer Security Trustee and the relevant Receiver on an after-tax basis, from and against all losses, actions, claims, costs (on a full indemnity basis including legal costs), expenses (including insurance premiums), demands and liabilities whether in contract, tort, delict or otherwise now or hereafter sustained or incurred by the Issuer Security Trustee or the Receiver or by any person for whose liability, act or omission the Issuer Security Trustee or the Receiver may be answerable, in connection with anything done or omitted to be done under or pursuant to this Deed (including without limitation in accordance with Clause 12 (*Releases following service of a New Parent Guarantor Enforcement Notice*)) or any other Transaction Document to which such entity is a party, or in the exercise or purported

exercise of the powers herein contained, or occasioned by any breach by the Parent Guarantor of any of its covenants or other obligations to the Issuer Security Trustee, or in consequence of any payment in respect of the New Parent Guarantor Obligations (whether made by the Parent Guarantor or a third person) being declared void or impeached for any reason whatsoever save where the same arises as the result of the fraud, gross negligence or wilful default of the Issuer Security Trustee or the Receiver or their respective officers, employees or agents

VAT

- 16 3 Any sum of whatsoever nature which is payable by the Parent Guarantor under this Deed shall be deemed to be exclusive of VAT or any similar tax and, if VAT or any similar tax is chargeable on any supply for which such sum is consideration, the Parent Guarantor in addition to such sum will pay to the Issuer Security Trustee and/or the Receiver and/or other relevant person an amount equal to such VAT or similar tax subject to prior receipt of a valid VAT invoice in respect of the supply to which the sum relates

Stamp Duties

- 16 4 The Parent Guarantor covenants and undertakes, to the greatest extent permitted by applicable law, to pay all stamp duties and other similar duties or taxes payable on or arising out of or in consequence of

- (A) the creation of the security constituted by or pursuant to this Deed,
- (B) the execution and delivery of this Deed and documents executed pursuant hereto and the other Transaction Documents, and
- (C) the enforcement of such security, this Deed and documents executed pursuant to this Deed and the other Transaction Documents

17. PROTECTION OF CHARGES

Further security

- 17 1 The Parent Guarantor covenants with and undertakes to the Issuer Security Trustee from time to time (and, for the purposes mentioned in Paragraph (A) below, notwithstanding that the Issuer Security Trustee may not have served a demand for payment of the New Parent Guarantor Obligations) upon demand to execute, at the Parent Guarantor's own cost, any document or do any act or thing (other than any amendment hereto) which

- (A) the Issuer Security Trustee may specify with a view to registering or perfecting any charge or security created or intended to be created by or pursuant to this Deed (including the perfecting of the conversion of any floating charge to a fixed charge pursuant to Clause 18 1 (*Notice*) or 18 2 (*Automatic Crystallisation*)), or

- (B) the Issuer Security Trustee or the Receiver may specify with a view to facilitating the exercise or the proposed exercise of any of their powers or the realisation of any of the New Parent Guarantor Second Priority Charged Property, or
- (C) the Issuer Security Trustee or the relevant Receiver may specify with a view to protecting the Encumbrances created by or pursuant to this Deed

18. CRYSTALLISATION

Notice

18 1 In addition and without prejudice to any other event resulting in a crystallisation of the floating charge created by this Deed or any other right the Issuer Security Trustee may have, the Issuer Security Trustee may (so far as permitted by applicable law), at any time

- (A) whilst a Potential Issuer Event of Default is subsisting, or
- (B) if the Issuer Security Trustee believes that the New Parent Guarantor Second Priority Charged Property or any part thereof is in danger of being seized or sold under any form of distress, execution or diligence levied or threatened or is otherwise in jeopardy or imperilled, or
- (C) if any circumstance shall occur which in the opinion of the Issuer Security Trustee prejudices, imperils or threatens or is likely to do any of the foregoing in respect of the security created by this Deed,

by notice in writing to the Parent Guarantor and any relevant company in the New Securitisation Group declare that the floating charge hereby created shall be converted into a second specific fixed charge as to all of the undertaking, property and assets or such of them as may be specified in the notice, and by way of further assurance, the Parent Guarantor, at its own expense, shall execute all documents in such form as the Issuer Security Trustee shall require and shall deliver to the Issuer Security Trustee all conveyances, deeds, certificates and documents which may be necessary to perfect such second specific fixed charge

Automatic Crystallisation

18 2 In addition and without prejudice to any other event resulting in a crystallisation of the floating charge, the floating charge contained herein shall (so far as permitted by applicable law) automatically be converted into a fixed charge over all property, assets or undertaking of the Parent Guarantor subject to the floating charge, if and when

- (A) an Issuer Event of Default occurs,
- (B) the Issuer or the Parent Guarantor ceases to carry on business or shall cease to carry on all or a substantial part of its business or shall cease to be a going concern or thereafter to do any of the foregoing,

- (C) the Issuer or the Parent Guarantor stops making payments to its creditors or gives notice to creditors that it intends to stop payment,
- (D) if the holder of any other Encumbrance in relation to the Issuer or the Parent Guarantor, whether ranking in priority to or *par passu* with or after the charges contained in this Deed, shall appoint a Receiver, manager or receiver and manager,
- (E) any floating charge granted by the Issuer or the Parent Guarantor to any other person shall crystallise for any reason whatsoever, or
- (F) the floating charge granted by the Parent Guarantor under the Parent Guarantor Deed of Charge shall crystallise for any reason whatsoever

19. POWER OF ATTORNEY, ETC.

Execution of Power of Attorney

- 19 1 Immediately upon execution of this Deed, the Parent Guarantor shall execute and deliver to the Issuer Security Trustee the power of attorney in or substantially in the form set out in Schedule 1 (*Power of Attorney*) (the "**Power of Attorney**") For the avoidance of doubt, the Issuer Security Trustee confirms that it may only exercise the powers conferred under the Power of Attorney in the circumstances set out in paragraph 1 of the Power of Attorney

New Parent Guarantor Second Priority Charged Property on trust

- 19 2 To the extent permitted to do so under the Transaction Documents, for the purpose of giving effect to this Deed, the Parent Guarantor hereby declares that, after service of a New Parent Guarantor Enforcement Notice, it will hold all of the New Parent Guarantor Second Priority Charged Property to which it is entitled (subject to the right of redemption) upon trust to convey, assign or otherwise deal with such New Parent Guarantor Second Priority Charged Property in such manner and to such person as the Issuer Security Trustee shall direct, and declares that it shall be lawful for the Issuer Security Trustee to appoint a new trustee or trustees of the New Parent Guarantor Second Priority Charged Property in place of the Parent Guarantor

20. OTHER SECURITY, ETC.

No Merger

- 20 1 The charges contained in or created pursuant to this Deed are in addition to, and shall neither be merged in, nor in any way exclude or prejudice any other Encumbrance, right of recourse, set off or other right whatsoever which the Issuer Security Trustee or any New Parent Guarantor Secured Creditor may now or at any time hereafter hold or have (or would apart from this Deed or any charge contained or created pursuant to this Deed hold or have) as regards the Parent Guarantor or any other person in respect of the New Parent Guarantor Obligations, and neither the Issuer Security Trustee nor any New Parent Guarantor Secured Creditor shall be under any obligation to take any steps

to call in or to enforce any security for the New Parent Guarantor Obligations, and shall not be liable to the Parent Guarantor for any loss arising from any omission on the part of the Issuer Security Trustee or any New Parent Guarantor Secured Creditor to take any such steps or for the manner in which the Issuer Security Trustee or any New Parent Guarantor Secured Creditor shall enforce or refrain from enforcing any such security

Consolidation

- 20 2 Section 93 of the 1925 Act shall not apply in relation to any of the charges contained in this Deed

Ruling off

- 20 3 If the Issuer Security Trustee receives notice of any Encumbrance affecting the New Parent Guarantor Second Priority Charged Property in contravention of the provisions hereof
- (A) the Issuer Security Trustee may open a new account in respect of the Parent Guarantor and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice, and
 - (B) all payments made by the Parent Guarantor to the Issuer Security Trustee after the Issuer Security Trustee receives such notice shall be credited or deemed to have been credited to the new account, and in no circumstances whatsoever shall operate to reduce the New Parent Guarantor Obligations as at the time the Issuer Security Trustee received such notice

Change of Name, etc.

- 20 4 This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Issuer Security Trustee or the Parent Guarantor or any amalgamation or consolidation by the Issuer Security Trustee or the Parent Guarantor with any other corporation

21. AVOIDANCE OF PAYMENTS

No Release

- 21 1 No assurance, security or payment which may be avoided or adjusted under the law, including under any enactment relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Issuer Security Trustee or any New Parent Guarantor Secured Creditor on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Issuer Security Trustee or any New Parent Guarantor Secured Creditor to recover the New Parent Guarantor Obligations from the Parent Guarantor (including any monies which it may be compelled to pay or refund under the provisions of the Insolvency Act 1986 and any costs payable by it pursuant to or otherwise incurred in connection therewith) or to enforce the charges contained in this Deed to the full extent of the New Parent Guarantor Obligations

Retention of Charges

- 21.2 If the Issuer Security Trustee shall have reasonable grounds for believing that the Parent Guarantor may be insolvent or deemed to be insolvent pursuant to the provisions of the Insolvency Act 1986 as at the date of any payment made by that company to the Issuer Security Trustee, the Issuer Security Trustee shall be at liberty to retain the charges contained in or created pursuant to this Deed until the expiry of a period of one month plus such statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all New Parent Guarantor Obligations notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Issuer Security Trustee on, or as a consequence of, such payment or discharge of liability provided that, if at any time within such period, a petition shall be presented to a competent court for an order for the winding up or the making of an administration order in respect of the Parent Guarantor or the Parent Guarantor shall commence proceedings to be wound up or to go into administration or any analogous proceedings shall be commenced by or against the Parent Guarantor, the Issuer Security Trustee shall be at liberty to continue to retain such security for such further period as the Issuer Security Trustee may determine and such security shall be deemed to continue to have been held as security for the payment and discharge to the Issuer Security Trustee of all New Parent Guarantor Obligations

22. SET OFF

The Issuer Security Trustee may, at any time following the service of a New Parent Guarantor Enforcement Notice, without notice and notwithstanding any settlement of account or other matter whatsoever combine or consolidate all or any existing accounts of the Parent Guarantor whether in its own name or jointly with others and held by it or any New Parent Guarantor Secured Creditor and may set off or transfer all or any part of any credit balance or any sum standing to the credit of any such account (whether or not the same is due to the Parent Guarantor from the Issuer Security Trustee or relevant New Parent Guarantor Secured Creditor and whether or not the credit balance and the account in debit or the relevant New Parent Guarantor Obligations are expressed in the same currency in which case the Issuer Security Trustee is hereby authorised to effect any necessary conversions at its prevailing rates of exchange) in or towards satisfaction of any of the relevant New Parent Guarantor Obligations and may in its absolute discretion estimate the amount of any liability of the Parent Guarantor which is contingent or unascertained and thereafter set off such estimated amount and no amount shall be payable by the Issuer Security Trustee to the Parent Guarantor unless and until all relevant New Parent Guarantor Obligations have been ascertained and fully repaid or discharged

23 EXECUTION OF DOCUMENTS

Any document required to be executed as a deed by the Issuer Security Trustee under or in connection with this Deed shall be validly executed if executed as a deed by a duly authorised attorney of the Issuer Security Trustee

24 EXERCISE OF CERTAIN RIGHTS

Enforcement by the Borrower Security Trustee

- 24 1 Subject to the provisions of this Deed, the Issuer Security Trustee may at any time, at its discretion and without further notice, take such proceedings and/or other action as it may think fit against, or in relation to, the Parent Guarantor or any other party to any of the Transaction Documents to enforce its obligations under any of the Transaction Documents. Subject to the provisions of this Deed, at any time after the security created by or pursuant to this Deed has become enforceable, the Issuer Security Trustee may, at its discretion and without further notice, take such steps as it may think fit to enforce such security.

No enforcement by the New Parent Guarantor Secured Creditors

- 24 2 Each New Parent Guarantor Secured Creditor undertakes to each other and to the Issuer Security Trustee that, unless a New Parent Guarantor Enforcement Notice has been served, and subject to Clause 24 3 (*No enforcement by the New Parent Guarantor Secured Creditors*)

- (A) it shall not take any steps whatsoever to direct the Issuer Security Trustee to enforce the security created in its favour under this Deed other than as provided by this Deed,
- (B) it shall not take any steps or pursue any action whatsoever for the purpose of recovering any debts due or owing to it by the Parent Guarantor,
- (C) it shall not petition or procure the petitioning for the winding up or administration (whether out of court or otherwise) of the Parent Guarantor or the appointment of an administrative receiver in respect of the Parent Guarantor, and
- (D) it shall not take or omit to take any steps whatsoever that may otherwise threaten or prejudice the security created in favour of the Issuer Security Trustee under this Deed,

PROVIDED HOWEVER that this Clause 24 2 (*No enforcement by the New Parent Guarantor Secured Creditors*) shall not prevent any New Parent Guarantor Secured Creditor from taking any steps against the Parent Guarantor which do not amount to

- (i) the commencement or threat of commencement of legal proceedings against the Parent Guarantor,
- (ii) the appointment of an administrative receiver in respect of the Parent Guarantor,
- (iii) the making of an administration order against the Parent Guarantor, or
- (iv) the winding up or liquidation of the Parent Guarantor

- 24 3 At any time after the service of a New Parent Guarantor Enforcement Notice, the New Parent Guarantor Secured Creditors shall not be permitted to proceed directly against the Parent Guarantor or prove in the liquidation or winding up of the Parent Guarantor unless the Issuer Security Trustee, having become bound so to proceed and/or prove, fails to do so and such failure shall be continuing in which case each of such New Parent Guarantor Secured Creditors shall be entitled to take any such steps and proceedings as it shall deem necessary, provided that only a Noteholder shall be entitled to take any steps or proceedings which lead to the presentation of a petition for the winding up of, or for an administration order in respect of, the Parent Guarantor

25. REPRESENTATIONS, COVENANTS AND WARRANTIES

- 25 1 The Parent Guarantor represents and warrants to the Issuer Security Trustee for the benefit of the New Parent Guarantor Secured Creditors that

- (A) **Status:** it is a corporation duly incorporated, validly existing and registered under the laws of England or Scotland, capable of being sued in its own right and not subject to any immunity from any proceedings and has the power to own its property and assets and to carry on its business and operations as they are being conducted,
- (B) **Due authorisation:** it has the power to enter into, perform and discharge its obligations under this Deed and the other Relevant Documents to which it is a party and has taken all necessary corporate and other action to authorise the execution, delivery and performance or admissibility in evidence by it of this Deed and the other Relevant Documents to which it is a party,
- (C) **No limitations on powers:** no limit on its powers will be exceeded as a result of the borrowing, giving of a guarantee, granting of security or other transactions contemplated by this Deed and the other Relevant Documents to which it is a party and this Deed and the other Relevant Documents to which it is a party constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms and it has done, fulfilled and performed all acts, conditions and things in order to make this Deed and the other Relevant Documents to which it is a party admissible in evidence in England and Scotland,
- (D) **Centre of main interests:** its "centre of main interests" (as that expression is used in the EU Insolvency Regulation) is in the United Kingdom, and
- (E) **Domicile and establishment:** it has no branch, business establishment or other fixed establishment outside the United Kingdom and it does not have an "establishment" as that expression is used in the EU Insolvency Regulation in any jurisdiction other than the United Kingdom

- 25 2 Save with the prior written consent of the Issuer Security Trustee or as provided in, envisaged by or necessary for the performance of any of the Transaction Documents the Parent Guarantor shall not

- (A) create or permit to subsist any Encumbrance (unless arising by operation of law) over any of its assets or its undertaking, present or future including any uncalled capital,
- (B)
 - (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Parent Guarantor will engage,
 - (ii) have any subsidiaries, any subsidiary undertaking (as defined in the Companies Act 2006) or any employees or premises other than the Issuer, Sister, the Borrower, Centrum and IGL,
 - (iii) itself amend, supplement or otherwise modify its constitutive documents,
 - (iv) acquire any leasehold, freehold or heritable property, or
 - (v) have any employees,
- (C) use, invest, convey, assign, transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, rights, title or benefit therein, present or future,
- (D) pay any dividend or make any other distributions to its shareholders or issue any further shares,
- (E) incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person,
- (F) consolidate or merge with any other person or convey or transfer or assign its properties or assets substantially as an entirety to any other person,
- (G) do any act or thing with the effect that the validity or effectiveness of any of the Transaction Documents or the priority of the Encumbrances created or evidenced thereby, would be amended, terminated, postponed or discharged, or consent to any variation of, or exercise any powers of consent or waiver pursuant to the terms of this Deed or any of the other Transaction Documents, or permit any party to any of the Transaction Documents or any other person whose obligations form part of the New Parent Guarantor Second Priority Charged Property to be released from such obligations, or dispose of any part of the New Parent Guarantor Second Priority Security, and
- (H) maintain an "establishment" (as that expression is used in the EU Insolvency Regulation) in any jurisdiction other than the United Kingdom

- 25.3 In giving any consent to the foregoing, the Issuer Security Trustee may, subject to the terms of the Transaction Documents, require the Parent Guarantor to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Issuer Security Trustee may deem expedient (in its absolute discretion) in the interests of the New Parent Guarantor Secured Creditors, provided that the Rating Agencies provide a Rating Confirmation
- 25.4 The Parent Guarantor covenants and undertakes with the Issuer Security Trustee for the benefit of the New Parent Guarantor Secured Creditors as follows
- (A) at all times to carry on and conduct its affairs in a proper and efficient manner and in compliance with all applicable laws and regulations from time to time in force in the United Kingdom and in compliance with its Memorandum and Articles of Association,
 - (B) to provide as soon as practicable (and, where appropriate, sufficiently identify) to the Issuer Security Trustee (in such form as the Issuer Security Trustee may require) such information, opinions, certificates and other evidence as it shall require for the purpose of the discharge of the duties, trusts, powers, authorities and discretions vested in it by or pursuant to this Deed or any other Transaction Document to which it is a party or the Notes or by operation of law,
 - (C) as soon as practicable, to notify the Issuer Security Trustee if the Parent Guarantor becomes aware of any breach of the representations and warranties or of any undertaking given or made by the Parent Guarantor in any of the Transaction Documents,
 - (D) to cause to be prepared and certified by its auditors in respect of each of its Financial Years, accounts in such form as will comply with the requirements for the time being of the Companies Act 2006 and in accordance with the Accounting Principles consistently applied,
 - (E) to obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all material authorisations, approvals, licences and consents necessary under all applicable laws and regulations from time to time in force in the United Kingdom
 - (i) in connection with its business, or
 - (ii) to enable it lawfully to enter into and perform its obligations under the Transaction Documents or to ensure the legality, validity, enforceability or admissibility in evidence in the United Kingdom of the Transaction Documents, including any registration required under the Companies Act 2006,
 - (F) at all times to keep proper books of account and records and, upon reasonable prior written notice being given by the Issuer Security Trustee, allow the Issuer Security Trustee or the Issuer Security Trustee's auditors and any professional or financial adviser of the Issuer Security Trustee at any time during normal

business hours to have access to all books of record and account and other relevant records and,

- (G) subject to any restrictions or prohibitions continued in any applicable laws or regulations, the Parent Guarantor shall send to the Issuer Security Trustee within 180 days after the end of a Financial Year two copies of every balance sheet, profit and loss account, source and application of funds statement (if any), report or other notice, statement, circular or document issued or given, or which pursuant to any law, statute, rule, or regulation then in force or pursuant to any contract to which it is a party should be issued or given to any holder of securities (including Noteholders and shareholders in their capacity as such) or creditors of the Parent Guarantor forthwith upon issue or distribution of the same,
- (H) to deliver notice in writing to the Issuer Security Trustee promptly upon becoming aware of the occurrence of any Issuer Event of Default or Potential Issuer Event of Default and without waiting for the Issuer Security Trustee to take any further action,
- (I) at least once in every year at the same time as the balance sheet and accounts mentioned in Clause 25 4(G) (*Representations, Covenants and Warranties*) are sent, and in any event not later than 180 days after the end of its Financial Year, and also at any other time within ten Business Days of a demand therefor, deliver to the Issuer Security Trustee a certificate signed by two directors of the Parent Guarantor to the effect that
 - (i) there did not exist, as at a date not more than five Business Days prior to the date of delivery of the certificate, any Issuer Event of Default or Potential Issuer Event of Default (which was continuing unwaived) or, if such an Issuer Event of Default or Potential Issuer Event of Default did then exist, specifying the same, and
 - (ii) during the period between the date as of which the last such certificate was given (or, in the case of the first such certificate, the date of this Deed) and the date as of which such annual or demanded certificates are given, the Parent Guarantor has complied with its obligations contained in, and pursuant to, this Deed and in each of the other Transaction Documents or if such is not the case, giving full details of the circumstances of such non-compliance,
- (J) at all times to execute all such further documents and do all such further acts and things as may, in the opinion of the Issuer Security Trustee, be necessary at any time or times to give effect to the terms and conditions of this Deed and the other Transaction Documents,
- (K) at all times to comply with and perform all the New Parent Guarantor Obligations under the Transaction Documents or refrain from doing any act or thing in relation thereto as the Issuer Security Trustee may require, and use all reasonable endeavours to procure that the other parties thereto comply with

and perform all their respective obligations under the Transaction Documents and the Notes and do not effect or agree to any amendment to, waiver of, termination of, replacement of, authorise any material breach of, or release of any party under and pursuant to, this Deed or any of the other Transaction Documents to which it is a party without the prior written approval of the Issuer Security Trustee,

- (L) except as specifically contemplated by the provisions of this Deed or any other Transaction Document, not at any time to approve or agree or consent to any act or thing whatsoever under the Transaction Documents to which it is a party which in the opinion of the Issuer Security Trustee is material without the prior written approval of the Issuer Security Trustee and to do, or refrain from doing, any material act or thing in relation thereto which in the opinion of the Issuer Security Trustee is material or as the Issuer Security Trustee may reasonably require,
- (M) at all times to comply with any direction given by the Issuer Security Trustee in relation to the New Parent Guarantor Second Priority Charged Property,
- (N) if any legal proceedings are instituted against it by any of its creditors, or in respect of any of its property, assets or undertaking, including any litigation or claim calling into question the Parent Guarantor's interest therein, as soon as practicable
 - (i) to notify the Issuer Security Trustee, and
 - (ii) to notify the court and any receiver appointed in respect of the property the subject of such proceedings of the interests of the Issuer Security Trustee in the Parent Guarantor Charged Property,
- (O) if required to do so by the Issuer Security Trustee, to participate in or join in and take such other steps as may be required by the Issuer Security Trustee in relation to any action (through the courts or otherwise) relating to any of the Parent Guarantor's property, assets or undertaking, including participation in any legal proceedings to the extent necessary for defending or contesting any litigation in relation to the New Parent Guarantor Charged Property, including any litigation or claim calling into question the Parent Guarantor's interest in the New Parent Guarantor Charged Property,
- (P) to perform any act required by any requirement of applicable law or regulation to be performed, and so far as permitted by applicable law, execute such further documents and perform such further acts as may be incidental to, or necessary in the opinion of the Issuer Security Trustee to give effect to, the Transaction Documents,
- (Q) to effect all required filings in respect of the Parent Guarantor and file, record or enrol each Transaction Document required to be filed, recorded or enrolled with any court or other authority in the United Kingdom and ensure that such

required filings and such other filings, recordings or enrolments are at all times maintained in accordance with any requirement of applicable law or regulation,

- (R) to maintain (i) its registered office and (ii) its "centre of main interests" (as that expression is used in the EU Insolvency Regulation) in the United Kingdom, and
- (S) to provide to the Rating Agencies a copy of any notice which is required to be provided pursuant to the Transaction Documents

25 5 So long as any of the New Parent Guarantor Obligations remain outstanding, the Parent Guarantor shall not permit any party to any of the Transaction Documents to which it is a party whose obligations form part of the New Parent Guarantor Second Priority Security and/or New Parent Guarantor Second Priority Charged Property to be released from such obligations, except as may be permitted by this Deed or any other Transaction Document

25 6 The Parent Guarantor hereby undertakes that, for so long as any New Parent Guarantor Obligations remains outstanding, it shall

- (A) forthwith sign, seal, deliver and complete all transfers, renunciations, proxies, mandates, assignments, assignations, deeds and documents and do all acts and things which the Issuer Security Trustee may, in its absolute discretion but without prejudice to any restriction or undertaking on the part of the Issuer Security Trustee herein at any time and from time to time specify
 - (i) for enabling or assisting it to perfect or improve its title to and security over the New Parent Guarantor Second Priority Securities,
 - (ii) to vest the New Parent Guarantor Second Priority Securities in it or its nominee or nominees including without limitation, registering or procuring the registration of the Issuer Security Trustee as its nominee or any other nominee as the holder of the New Parent Guarantor Securities, in the register of members of the relevant company,
 - (iii) following the service of a New Parent Guarantor Enforcement Notice, to exercise (or enable its nominee or nominees to exercise) any rights or powers attaching to the New Parent Guarantor Securities, or
 - (iv) following the service of a New Parent Guarantor Enforcement Notice only, to sell or dispose of the New Parent Guarantor Second Priority Securities, and
- (B) following the service of a New Parent Guarantor Enforcement Notice indemnify the Issuer Security Trustee on demand from and against all losses, actions, claims and liabilities which it may incur as a result of the interest of the Issuer Security Trustee or its nominee in the New Parent Guarantor Securities

26. PROVISIONS SUPPLEMENTAL TO THE TRUSTEE ACT 1925

26 1 By way of supplement to the Trustee Act 1925, it is expressly declared as follows

- (A) the Issuer Security Trustee may in relation to this Deed or any of the Transaction Documents act on the opinion or advice of, or a certificate or any information obtained from, any lawyer, banker, valuer, surveyor, securities company, broker, auctioneer, accountant or other expert in the United Kingdom or elsewhere, whether obtained by the Issuer Security Trustee or any Receiver and shall not be responsible for any loss occasioned by so acting,
- (B) any such opinion, advice, certificate or information may be sent or obtained by letter or facsimile reproduction or in any other form and the Issuer Security Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error or shall not be authentic,
- (C) the Issuer Security Trustee shall (save as expressly otherwise provided in this Deed or any of the other Transaction Documents) as regards all rights, powers, authorities and discretions vested in it by this Deed or any of the Transaction Documents, or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof,
- (D) the Issuer Security Trustee shall be at liberty to place this Deed and all deeds and other documents relating to this Deed with any bank or banking company, or lawyer or firm of lawyers believed by it to be of good repute, in any part of the world, and the Issuer Security Trustee shall not be responsible for or be required to insure against any loss, expense or liability incurred in connection with any such deposit and the Parent Guarantor shall pay all sums required to be paid on account of or in respect of any such deposit,
- (E) the Issuer Security Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Issuer Security Trustee (including the receipt and payment of money) The Issuer Security Trustee shall not be responsible for any misconduct on the part of any person appointed by it in good faith hereunder or be bound to supervise the proceedings or acts of any such persons,
- (F) where it is necessary or desirable for any purpose in connection with this Deed to convert any sum from one currency to another, it shall (unless otherwise provided by this Deed or required by law) be converted at such rate or rates in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Issuer Security Trustee in its absolute discretion but having regard to current rates of exchange if available and the Issuer Security Trustee shall not be liable for any loss occasioned by the said conversion under this Paragraph (F),

- (G) any consent given by the Issuer Security Trustee for the purposes of this Deed or any of the Transaction Documents may be given on such terms and subject to such conditions (if any) as the Issuer Security Trustee thinks fit and, notwithstanding anything to the contrary contained in this Deed or any of the Transaction Documents, may be given retrospectively,
- (H) the Issuer Security Trustee shall be entitled to rely upon a certificate, reasonably believed by it to be genuine, of the Parent Guarantor or any other person in respect of every matter and circumstance for which a certificate is expressly provided for under this Deed or the Transaction Documents and to call for and rely upon a certificate of the Parent Guarantor or any other person reasonably believed by it to be genuine as to any other fact or matter within the knowledge of the Parent Guarantor or such person as sufficient evidence thereof and the Issuer Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be caused by it failing to do so,
- (I) the Issuer Security Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Noteholders of each class in respect whereof minutes have been made and purporting to have been signed by the chairman thereof, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the relevant Noteholders,
- (J) any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partners or firm on matters arising in connection with this Deed or any of the Transaction Documents and also his charges in addition to disbursements for all other work and business done and all time spent by him or his partners or firm on matters arising in connection with this Deed or any of the Transaction Documents including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person,
- (K) the Issuer Security Trustee shall not be liable to the Parent Guarantor or any other New Parent Guarantor Secured Creditor by reason of having accepted as valid or not having rejected any Definitive Note purporting to be such and subsequently found to be forged, stolen or not authentic,
- (L) the Issuer Security Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence of the facts stated therein a certificate or letter of confirmation certified as true and accurate and signed on behalf of Euroclear, Clearstream, Luxembourg, DTC or any common depositary for them or such person as the Issuer Security Trustee considers appropriate, or any form of record made by any of them to the effect that any particular time or through any particular period any particular person is, was or will be shown in its records as entitled to a particular number of Notes or New Notes,

- (M) in connection with the exercise by it of any of its trusts, powers, authorities and discretions under this Deed and the other Transaction Documents, the Issuer Security Trustee shall not have regard to the consequences thereof for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory or any political sub-division thereof, and the Issuer Security Trustee shall not be entitled to require nor shall any Noteholder be entitled to claim from the Parent Guarantor, the Issuer Security Trustee or any other person any indemnification or payment in respect of any Tax consequence of any such exercise upon individual Noteholders,
- (N) the Issuer Security Trustee shall have no responsibility for the maintenance of any rating of the Notes or New Notes of any class by the Rating Agencies or any other person,
- (O) the Issuer Security Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Issuer Security Trustee assigned by the Issuer Security Trustee to administer its corporate trust matters unless it shall be proved that the Issuer Security Trustee was grossly negligent in ascertaining the pertinent facts, and
- (P) no provision of this Deed or any other Transaction Document shall require the Issuer Security Trustee to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers or otherwise in connection with this Deed or any other Transaction Document (including, without limitation, forming any opinion or employing any legal, financial or other adviser), if it shall believe that repayment of such funds or adequate indemnity against such risk or liability is not assured to it

26 2 The Issuer Security Trustee shall not be responsible for any recitals or statements or warranties or representations of any party (other than the Issuer Security Trustee) contained herein or in any other Transaction Document or any other document entered into in connection therewith and shall assume the accuracy and correctness thereof and shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity or enforceability or admissibility in evidence of any such agreement or other document or any trust or security thereby constituted or evidenced. The Issuer Security Trustee may accept without enquiry, requisition or objection such title as the Parent Guarantor have to the New Parent Guarantor Second Priority Charged Property or any part thereof from time to time and shall not be required to investigate or make any enquiry into the title of the Parent Guarantor to the New Parent Guarantor Second Priority Charged Property or any part thereof from time to time whether or not any default or failure is or was known to the Issuer Security Trustee or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy. Notwithstanding the generality of the foregoing, each New Parent Guarantor Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Parent Guarantor, and the Issuer Security

Trustee shall not at any time have any responsibility for the same and each New Parent Guarantor Secured Creditor shall not rely on the Issuer Security Trustee in respect thereof

- 26.3 The Issuer Security Trustee shall not be bound to give notice to any person of the execution of this Deed nor shall it be liable for any failure, omission or defect in perfecting the security intended to be constituted hereby including, without prejudice to the generality of the foregoing
- (A) failure to obtain any licence, consent or other authority for the execution of the same,
 - (B) failure to register the same in accordance with the provisions of any of the documents of title of the Parent Guarantor to any of the New Parent Guarantor Second Priority Charged Property, and
 - (C) failure to effect or procure registration of or otherwise protect any of the Transaction Documents by registering the same under any registration laws in any territory, or by registering any notice, caution or other entry prescribed by or pursuant to the provisions of the said laws
- 26.4 The Issuer Security Trustee shall not be responsible for the genuineness, validity or effectiveness of any of the Transaction Documents or any other documents entered into in connection therewith or any other document or any obligations or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted by or pursuant to this Deed or any of the Transaction Documents, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decisions of any court and (without prejudice to the generality of the foregoing) the Issuer Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for
- (A) the nature, status, creditworthiness or solvency of the Parent Guarantor,
 - (B) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of this Deed or any other Transaction Document comprised within the New Parent Guarantor Second Priority Charged Property or any other document entered into in connection therewith,
 - (C) the registration, filing, protection or perfection of any security relating to this Deed or the other Transaction Documents comprised within the New Parent Guarantor Second Priority Charged Property or the priority of the security thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities,
 - (D) the scope or accuracy of any representations, warranties or statements made by or on behalf of the Parent Guarantor or any other person or entity who has at any time provided any Transaction Document comprised within the New Parent

Guarantor Second Priority Charged Property or in any document entered into in connection therewith,

- (E) the performance or observance by the Parent Guarantor or any other person with any provisions of this Deed or any other Transaction Document comprised within the New Parent Guarantor Second Priority Charged Property or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing,
- (F) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with the New Parent Guarantor Second Priority Charged Property,
- (G) the title of the Parent Guarantor to any of the New Parent Guarantor Second Priority Charged Property,
- (H) the failure to effect or procure registration of or to give notice to any person in relation to or otherwise protect the security created or purported to be created by or pursuant to this Deed or other documents entered into in connection therewith,
- (I) the failure to call for delivery of documents of title to or require any transfers, assignments, legal mortgages, charges or other further assurances in relation to any of the assets the subject matter of any of this Deed or any other document, and
- (J) any other matter or thing relating to or in any way connected with this Deed or the New Parent Guarantor Second Priority Charged Property or any document entered into in connection therewith whether or not similar to the foregoing

26 5 The Issuer Security Trustee shall not be under any obligation to insure in respect of any of the New Parent Guarantor Second Priority Charged Property or to require any other person to maintain any such insurance. The Issuer Security Trustee will not be responsible for any loss, expense or liability which may be suffered by any New Parent Guarantor Secured Creditor as a result of any assets comprised in the New Parent Guarantor Second Priority Security, or any deeds or documents of title thereto, being uninsured or inadequately insured in being held by or to the order of clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Issuer Security Trustee

26 6 The Issuer Security Trustee shall not be liable or responsible for any loss, cost, damage, expense or inconvenience which may result from anything done or omitted to be done by it under this Deed or any of the other Transaction Documents save where the same arises as a result of the Issuer Security Trustee's fraud, wilful default or gross negligence

- 26 7 The Issuer Security Trustee as between itself and the New Parent Guarantor Secured Creditors shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Deed and the other Transaction Documents and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Issuer Security Trustee, shall be conclusive and shall bind the Issuer Security Trustee and the New Parent Guarantor Secured Creditors
- 26 8 The Issuer Security Trustee may determine whether or not any event, matter or thing is, in its opinion, materially prejudicial to the interests of the New Parent Guarantor Secured Creditors and if the Issuer Security Trustee shall certify that any such event, matter or thing is, in its opinion, materially prejudicial, such certificate shall be conclusive and binding upon the New Parent Guarantor Secured Creditors
- 26 9 Any consent given by the Issuer Security Trustee for the purposes of this Deed or any of the other Transaction Documents which constitute part of the New Parent Guarantor Second Priority Charged Property may be given on such terms and subject to such conditions (if any) as the Issuer Security Trustee thinks fit and, notwithstanding anything to the contrary contained in this Deed or any other Transaction Document or the Conditions, may be given retrospectively
- 26 10 The Issuer Security Trustee shall be entitled to rely upon a certificate of the Registrar, the Agent Bank, any Paying Agent and any other person in respect of every matter and circumstance for which a certificate is expressly provided for under this Deed or any other Transaction Documents as sufficient evidence thereof, and the Issuer Security Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do

27 SUPPLEMENTAL PROVISIONS REGARDING THE ISSUER SECURITY TRUSTEE

- 27 1 Except as herein otherwise expressly provided, the Issuer Security Trustee shall be and is hereby authorised to assume without enquiry, and it is hereby declared to be the intention of the Issuer Security Trustee that it shall assume without enquiry, that the Parent Guarantor and each of the other parties thereto is duly performing and observing all the covenants and provisions contained in this Deed and the other Transaction Documents and on its part to be performed and observed and that no event has occurred which gives rise to or may, with the effluxion of time, give rise to the service of a New Parent Guarantor Enforcement Notice Neither any of the New Parent Guarantor Secured Creditors nor the Parent Guarantor shall be entitled to require the Issuer Security Trustee to take any action or proceedings under this Deed or any of the other Transaction Documents whatsoever
- 27 2 The Issuer Security Trustee may, in the execution of all or any of the trusts, powers, authorities and discretions vested in it by this Deed or any of the other Transaction Documents, act by responsible officers or a responsible officer for the time being of the Issuer Security Trustee The Issuer Security Trustee may also, whenever it thinks expedient in the interests of the New Parent Guarantor Secured Creditors, whether by power of attorney or otherwise, for a period not exceeding 12 months, delegate to any person or persons all or any of the trusts, rights, powers, duties, authorities and

discretions vested in it by this Deed or any of the other Transaction Documents. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Issuer Security Trustee may think fit in the interests of the New Parent Guarantor Secured Creditors or any of them and, provided that the Issuer Security Trustee shall have exercised reasonable care in the selection of such delegate and, where a power to sub-delegate has been given, has obliged the delegate to exercise reasonable care in the selection of any sub-delegate, the Issuer Security Trustee shall not be bound to supervise the proceedings of or be responsible for any loss incurred by any misconduct or default on the part of such delegate or sub-delegate. The Issuer Security Trustee shall give prompt notice to the Parent Guarantor of the appointment of any delegate as aforesaid and shall procure that any delegate shall also give prompt notice of the appointment of any sub-delegate to the Parent Guarantor.

- 27.3 The Issuer Security Trustee shall not, and no director, officer or employee of any corporation being a security trustee hereof shall by reason of the fiduciary position of the Issuer Security Trustee be in any way precluded from making any commercial contracts or entering into any commercial transactions with the Parent Guarantor, any subsidiary of the Parent Guarantor, any Holding Company of the Parent Guarantor or any member of any subsidiary of any such Holding Company, the Parent Guarantor or any other party to the Transaction Documents, whether directly or through any subsidiary or associated company, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Parent Guarantor, any subsidiary of the Parent Guarantor, any Holding Company of the Parent Guarantor or any subsidiary of any such Holding Company or any other party to the Transaction Documents. Without prejudice to the generality of these provisions, it is expressly declared that such contracts and transactions include any contract or transaction in relation to the placing, underwriting, purchasing, subscribing for or dealing with or lending money upon or making payments in respect of or any stock, shares, debenture stock, debentures or other securities of the Punch Group, any subsidiary of the Punch Group, any Holding Company of any member of the Punch Group or any subsidiary of any such Holding Company or any other party to the Transaction Documents or any contract of banking or insurance with the Parent Guarantor, any subsidiary of the Parent Guarantor, any Holding Company of the Parent Guarantor or any subsidiary of any such Holding Company or any other party to the Transaction Documents and neither the Issuer Security Trustee nor any such director, officer or employee shall be accountable to any Parent Guarantor Secured Creditor or to any Obligor for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions, and the Issuer Security Trustee and any such director, officer or employee shall also be at liberty to retain the same without accounting therefor.
- 27.4 The Issuer Security Trustee shall have the power to insure against any liabilities or obligations arising
- (A) as a result of the Issuer Security Trustee acting or failing to act in a certain way (other than which may arise from its fraud, gross negligence or wilful default or that of its officers or employees),

- (B) as a result of any act or failure to act by any person or persons to whom the Issuer Security Trustee has delegated any of its trusts, rights, powers, duties, authorities or discretions, or appointed as its agent (other than which may arise from its fraud, negligence or wilful default or that of its officers or employees),
- (C) in connection with the New Parent Guarantor Second Priority Charged Property, or
- (D) in connection with the enforcement of the security created by this Deed

The Issuer Security Trustee shall not be under any obligation to insure in respect of such liabilities and/or obligations, but to the extent that it does so, the Parent Guarantor shall quarterly and on written request pay all insurance premiums and expenses which the Issuer Security Trustee may properly incur in relation to such insurance. If the Parent Guarantor fails to reimburse the Issuer Security Trustee, the Issuer Security Trustee shall be entitled to be indemnified out of the New Parent Guarantor Second Priority Charged Property in respect thereof, and in the case of a New Parent Guarantor Enforcement Notice having been served, the indemnification of all such insurance premiums and expenses shall be payable in accordance with Clause 8 (*Application of monies subsequent to enforcement*) in priority to payments to all other New Parent Guarantor Secured Creditors and otherwise in accordance with this Deed.

- 27.5 The powers conferred by this Deed upon the Issuer Security Trustee shall be in addition to any powers which may from time to time be vested in it by general law.
- 27.6 In the event of an issue of or New Notes, the provisions of this Deed will be modified in such manner as the Issuer Security Trustee considers necessary to reflect the issue of such New Notes and the ranking thereof in relation to the classes of Notes then in existence and the other New Parent Guarantor Obligations.

28. REMUNERATION AND INDEMNIFICATION OF THE ISSUER SECURITY TRUSTEE

Remuneration

- 28.1 Subsequent to the service of an Issuer Enforcement Notice on the Issuer, if the Issuer fails to make payment to the Issuer Security Trustee in accordance with clause 28.1 (*Remuneration*) of the Issuer Deed of Charge, the Parent Guarantor shall (subject as hereinafter provided) pay to the Issuer Security Trustee annually a fee of such amount and payable on such dates as shall from time to time be agreed by the Parent Guarantor and the Issuer Security Trustee. All such remuneration shall be payable in priority to payments to the Noteholders and all other New Parent Guarantor Secured Creditors and otherwise in accordance with this Deed. Such remuneration shall be deemed to accrue from day to day and be payable up to and including the date when all of the New Parent Guarantor Obligations have been paid or discharged and the Issuer Security Trustee has released, reassigned, and/or discharged the New Parent Guarantor Second Priority Charged Property as provided in Clause 7 (*Release of New Parent Guarantor Second Priority Charged Property*).

- 28 2 In the event of the Issuer Security Trustee finding it expedient or necessary or being required to undertake any duties which the Issuer Security Trustee and the Parent Guarantor agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Issuer Security Trustee under this Deed, the Parent Guarantor shall pay such additional remuneration charged at the Issuer Security Trustee's usual hourly rates for the performance of similar services from time to time as shall be notified to the Parent Guarantor
- 28 3 In the event of the Issuer Security Trustee and the Parent Guarantor failing to agree in a case to which Clause 28 2 (*Remuneration*) above applies, upon whether such duties are of an exceptional nature or otherwise outside the scope of the normal duties of the Issuer Security Trustee hereunder or upon the amount of such additional remuneration, such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Issuer Security Trustee and approved by the Parent Guarantor or, failing such approval, nominated by the President for the time being of the Law Society of England and Wales, and if the Issuer fails to make payment to the Issuer Security Trustee in accordance with clause 28 3 (*Remuneration*) of the Issuer Deed of Charge, the expenses being involved in such nomination and the fees of such merchant bank being payable by the Parent Guarantor, and the decision of any such merchant bank shall be final and binding on the Parent Guarantor and the Issuer Security Trustee
- 28 4 In addition to remuneration hereunder, if the Issuer fails to make payment to the Issuer Security Trustee in accordance with clause 28 4 (*Remuneration*) of the Issuer Deed of Charge, the Parent Guarantor shall on written request, pay all other costs, charges and expenses (including, without prejudice to the generality of the foregoing, legal expenses, insurance premiums and travelling expenses) which the Issuer Security Trustee may incur in relation to the negotiation, preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Deed, the New Parent Guarantor Second Priority Security and any of the Transaction Documents to which the Issuer Security Trustee is a party including but not limited to travelling expenses, insurance premiums, legal expenses and any stamp, issue, registration, documentary and other similar taxes or duties paid or payable by the Issuer Security Trustee in connection with any action taken or contemplated by or on behalf of the Issuer Security Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Deed or any of the other Transaction Documents
- 28 5 Without prejudice to the right of indemnity by law given to trustees, the Parent Guarantor shall (save where the same arises out of the fraud, wilful default, gross negligence or wilful misconduct of the Issuer Security Trustee or its officers and/or employees) indemnify the Issuer Security Trustee in respect of all proceedings (including claims and liabilities in respect of taxes other than on its own overall net income, profits or gains), claims and demands and all costs, charges, expenses (including, without prejudice to the generality of the foregoing, legal expenses, insurance premiums and travelling expenses), and liabilities to which it (or any person appointed by it to whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of the trusts, powers, authorities or discretions vested in it by or pursuant to this Deed and any of the other Transaction Documents to which the Issuer Security Trustee is a party) may be or become liable or which may be

incurred by it (or any such person as aforesaid) in the execution or purported execution of any of its trusts, powers, authorities and discretions hereunder or its functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Deed and any of the other Transaction Documents to which the Issuer Security Trustee is a party, or any such appointment and the Issuer Security Trustee shall be entitled to be indemnified out of the New Parent Guarantor Second Priority Charged Property in respect thereof

28.6 All sums payable by the Parent Guarantor under Clause 28.3 or Clause 28.4 (*Remuneration*) shall be payable on demand and

(A) in the case of payments actually made by the Issuer Security Trustee prior to the demand, shall carry interest at the rate per annum which is 1 per cent per annum higher than the base rate of Lloyds Bank plc for the time being from the date of the same being demanded to the date of actual payment (provided that such demand shall be made on a business day, otherwise interest shall be payable from the first business day following the date of the demand to the date of actual payment), and

(B) in all other cases, shall carry interest at such rate from the date 15 days after the date of the same being demanded or (where the demand specifies that payment by the Issuer Security Trustee will be made on an earlier date provided such earlier date is a business day) from such earlier date (not being earlier than the date of such demand) to the date of actual payment. Any amounts payable pursuant to Clauses 28.1 to 28.3 (*Remuneration*) (inclusive) shall carry interest at the aforesaid rate from the due date thereof to the date of actual payment

28.7 Unless otherwise specifically stated in any discharge of this Deed, the provisions of this Clause 28 (*Remuneration and indemnification of the Issuer Security Trustee*) shall continue in full force and effect notwithstanding such discharge

29. APPOINTMENT OF NEW ISSUER SECURITY TRUSTEE AND REMOVAL OF ISSUER SECURITY TRUSTEE

29.1 The power of appointing a new Issuer Security Trustee or removing the Issuer Security Trustee shall be vested in the Note Trustee. A trust corporation may be appointed sole trustee hereof but subject thereto there shall be at least two trustees hereof. Any appointment of a new Issuer Security Trustee and any retirement or removal of an existing Issuer Security Trustee pursuant to this Clause 29 (*Appointment of New Issuer Security Trustee and removal of Issuer Security Trustee*) or Clause 30 (*Retirement of Issuer Security Trustee*) shall as soon as practicable thereafter be notified by the Note Trustee to the Parent Guarantor and the New Parent Guarantor Secured Creditors

29.2 The Issuer Security Trustee shall be replaced by an Acceptable Replacement Trustee in accordance with, and in the circumstances contemplated by, clauses 29.2 and 29.3 (*Appointment of New Issuer Security Trustee and removal of Issuer Security Trustee*) (inclusive) of the Issuer Deed of Charge

29.3 Notwithstanding the provisions of Clause 29.1 (*Appointment of New Issuer Security Trustee and removal of Issuer Security Trustee*), the Issuer Security Trustee may (as attorney for the Parent Guarantor) upon giving prior notice to the Parent Guarantor but without the consent of the Parent Guarantor or the New Parent Guarantor Secured Creditors appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Issuer Security Trustee

(A) if the Issuer Security Trustee considers such appointment to be in the interests of the New Parent Guarantor Secured Creditors (or any of them), or

(B) for the purposes of conforming to any legal requirement, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed or any New Parent Guarantor Second Priority Charged Property is or is to be located, or

(C) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of this Deed or any of the other Transaction Documents to which the Issuer Security Trustee is a party or obligations arising pursuant thereto or any of the security constituted by or pursuant to this Deed

29.4 Whenever there shall be more than two trustees hereof, the majority of such trustees shall (provided such majority includes a trust corporation) be competent to execute and exercise all the trusts, powers, authorities and discretions vested by this Deed and any of the Transaction Documents in the Issuer Security Trustee generally

29.5 For the avoidance of doubt, any replacement trustee must be an Acceptable Replacement Trustee

30. RETIREMENT OF ISSUER SECURITY TRUSTEE

Any trustee for the time being of this Deed may retire at any time upon giving not less than three months' prior notice in writing to the Parent Guarantor and the Note Trustee without assigning any reason therefore and without being responsible for any costs resulting from such retirement. The retirement or removal of any trustee shall not become effective unless there remains at least one trustee hereof being a trust corporation in office upon such retirement or removal. The Note Trustee covenants that, in the event of a trustee (being a sole trustee or the only trust corporation) giving notice under this Clause or being removed as referred to in Clause 29 (*Appointment of New Issuer Security Trustee and removal of Issuer Security Trustee*) it shall use all reasonable endeavours to procure a new trustee of this Deed (being a trust corporation) to be appointed as soon as reasonably practicable thereafter.

31. NOTICES AND DEMANDS

31.1 Any notice, communication or demand made under or in connection with this Deed shall be in writing and shall be delivered personally, or by post, telex, fax or cable to the

addresses given in this Deed, or at such other address as the recipient may have notified to the other party in writing

(A)	Parent Guarantor.	Jubilee House Second Avenue Burton-upon-Trent Staffordshire DE14 2WF
	For the attention of	The Company Secretary
	Email	Ed Bashforth@punchtaverns.com
	Telephone	01283 501600
	Facsimile	01283 501800

(B)	Issuer Security Trustee	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB
	For the attention of	Managing Director
	Telephone	020 7545 8000
	Facsimile	020 7547 5919

or to such other address or facsimile number as may from time to time be notified by any party to the others by written notice in accordance with the provisions of this Clause 31 (*Notices and demands*)

Notices to be provided to the Rating Agencies under the Transaction Documents shall, in the absence of anything to the contrary, be to the following addresses

Standard & Poor's Ratings Group:	20 Canada Square Canary Wharf London E14 5LH
For the attention of	Ratings Services
Facsimile	020 7826 3890
Email	investor_feedback@standardandpoors.com

Fitch:	30 North Colonnade Canary Wharf London E14 5GN
For the attention of	Head of Structured Finance
Facsimile	020 7417 4242
Email	emeaclientservices@fitchsolutions.com

Moody's Investors Services	One Canada Square Canary Wharf London E14 5FA
For the attention of	Structured Finance – CMBS Monitoring
Facsimile	020 7772 5400
Email	emeaclientservices@fitchsolutions.com

Notices to be provided to a New Parent Guarantor Secured Creditor shall be provided to the applicable address specified in the Issuer Deed of Charge

31.2 Deemed Receipt

Proof of posting or despatch of any notice, communication or demand on any party to this Deed shall be deemed to be proof of receipt

- (A) in the case of a notice, communication or demand sent by post, on the third Business Day after posting,
- (B) in the case of a notice, communication or demand delivered by hand, on the day of delivery, and
- (C) in the case of a telex, fax or cable, on the Business Day of despatch

32. FURTHER PROVISIONS

Instructions to the Issuer Security Trustee

- 32 1 The Issuer Security Trustee shall be entitled to rely on and act on an instruction from the Note Trustee (and shall act on such instruction provided that it is secured, indemnified and/or prefunded to its satisfaction), who has been directed by the relevant class of Noteholders or Issuer Secured Creditors in accordance with the relevant provisions of the Trust Deed

Evidence of Indebtedness

- 32 2 In any action, proceedings or claim relating to this Deed or the charges contained in this Deed, a statement as to any amount due to any New Parent Guarantor Secured Creditor or of the New Parent Guarantor Obligations or any part thereof or a statement of any amounts which have been notified to the Issuer Security Trustee as being amounts due to any New Parent Guarantor Secured Creditor which is certified as being correct by an officer of the Issuer Security Trustee or an officer of the relevant New Parent Guarantor Secured Creditor shall, save in the case of manifest error, be conclusive evidence that such amount is in fact due and payable

Rights cumulative, waivers

- 32 3 The respective rights of the Issuer Security Trustee, the New Parent Guarantor Secured Creditors and any Receiver are cumulative, and may be exercised as often as they consider appropriate and are in addition to their respective rights under the general law. The respective rights of the Issuer Security Trustee, the New Parent Guarantor Secured Creditors and any Receiver in relation to this Deed (whether arising under this Deed or under the general law) shall not be capable of being waived, suspended, prejudiced or varied otherwise than by express waiver or variation in writing, and, in particular, any failure to exercise or any delay in exercising any such rights shall not operate as a variation or waiver of that or any other such right. Any defective or partial exercise of such rights shall not preclude any other or further exercise of that or any other such right. No act or course of conduct or negotiation on their part or on their behalf shall in any way preclude them from exercising any such right or constitute a suspension or any variation of any such right.

Invalidity of any Provision

- 32 4 If any of the provisions of this Deed becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

Severability

- 32 5 Any provision of this Deed which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such

provision in any other jurisdiction. To the extent permitted by applicable law, the Parent Guarantor hereby waives any provision of law but only to the extent permitted by law which renders any provision of this Deed prohibited or unenforceable in any respect.

Amendments on grant of New Term Facility

32.6 The parties agree that all amendments certified by the Borrower and the Issuer in a certificate signed by two directors of each relevant company and provided to the Borrower Security Trustee and the Issuer Trustee as being

- (A) strictly necessary and required as a result of the grant of any New Term Facility (and any issue of any corresponding New Notes and any related hedging contemplated by the Trust Deed), and
- (B) not materially prejudicial to the interests of each of the Liquidity Facility Provider, Class A Noteholders, Class B3 Noteholders, Swap Provider or the Issuer,

shall be made to this Deed and any other Transaction Document and that such amendments shall be made without the need for (1) the exercise of discretion on the part of the Issuer Security Trustee or (2) the consent of any other party. The Issuer Security Trustee is hereby authorised by each of the New Parent Guarantor Secured Creditors party hereto to execute and deliver on its behalf all documentation required to implement any such amendment and such execution and delivery by the Issuer Security Trustee shall bind each such New Parent Guarantor as if such documentation had been duly executed by it (without the need for any further formality or for any other party to execute such documentation). The directors of the Borrower and Issuer shall incur no personal liability whatsoever (whether in contract, tort or otherwise) as a result of or in relation to the aforementioned certification.

Counterparts

32.7 This Deed may be signed and delivered in more than one counterpart all of which, taken together, shall constitute one and the same Deed.

33. GOVERNING LAW AND JURISDICTION

33.1 This Deed (and any non-contractual obligations arising out of or in connection with it) shall be governed by and construed in accordance with English law, other than any terms hereof particular to the laws of Scotland, which shall be governed by and construed in accordance with Scots law.

33.2 Each party to the Deed hereby irrevocably agrees for the exclusive benefit of the other parties hereto that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any suit, action or proceeding arising out of or in connection with this Deed (in this Clause referred to as "**Proceedings**") may be brought in such courts. For such purposes as aforesaid, notices for the Note Trustee may be served on it at 1 Great Winchester Street, London EC2N 2DB. (In this Clause, "**Service Document**" shall mean a writ,

summons, order, judgment or other document relating to or in connection with any Proceedings) If at any time the Note Trustee shall not have a branch in London, each of such parties shall appoint a person, having an address for service in England and approved by the Issuer Security Trustee to accept such service. No failure by such agent or such other person as is referred to above to notify the other parties hereto of the service of any process or to pass any process to it shall in any way invalidate the Proceedings concerned or any judgement given in them.

- 33.3 Each party hereto irrevocably waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to the laying of the venue of any Proceedings in the courts referred to in this Clause and any claim that any such Proceedings have been brought in an inconvenient forum and undertakes not to attempt or apply to have any such Proceedings which are brought in such court stayed, suspended or dismissed on any ground as is referred to above, and further irrevocably agrees that a judgement in any Proceedings brought in the courts referred to in this Clause shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.
- 33.4 Nothing contained in Clause 33.2 (*Governing law and jurisdiction*) shall limit any right to take any Proceedings against any of the parties hereto in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

IN WITNESS WHEREOF this Deed has been duly executed and delivered as a deed by each of the parties hereto or on its behalf on the date appearing on page 1 of this Deed.

Schedule 1
Power of Attorney

THIS POWER OF ATTORNEY is made on [•] 2014 to take effect on and from the Fifth Closing Date Effective Time by [•] (registered in [•] whose registered office is at [•] (the "**Principal**")

WHEREAS:


- (A) By virtue of a second priority deed of guarantee and charge (the "**New Parent Guarantor Second Priority Deed of Guarantee and Charge**") dated 6 October 2014 and made between, *inter alios*, the Principal and the Issuer Security Trustee (each as referred to therein) provision was made for the execution by the Principal of this Power of Attorney
- (B) Words and phrases in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and phrases in the New Parent Guarantor Second Priority Deed of Guarantee and Charge

NOW THIS POWER OF ATTORNEY WITNESSETH

- 1 This Power of Attorney is effective on and from the Relevant Time
- 2 The Principal hereby irrevocably and by way of security for the performance of the covenants, conditions, obligations and undertakings on the part of the Principal contained in the New Parent Guarantor Second Priority Deed of Guarantee and Charge appoints Deutsche Trustee Company Limited and any other person or persons for the time being the trustee or trustees of and under the New Parent Guarantor Second Priority Deed of Guarantee and Charge ("**Attorney**") and any Receiver (including any administrative receiver) and any manager ("**Receiver**") and/or administrator ("**Administrator**") appointed from time to time by the Attorney or on its behalf its true and lawful attorney for and in the Principal's name or otherwise to do any act matter or thing which the Attorney, Receiver or Administrator considers in each case bona fide necessary for the protection or preservation of the Attorney's interests and rights in and to the New Parent Guarantor Second Priority Charged Property or which ought to be done under the covenants, undertakings and provisions contained in the New Parent Guarantor Second Priority Deed of Guarantee and Charge on or at any time after the service of a New Parent Guarantor Enforcement Notice or in any other circumstances where the Attorney has become entitled to take the steps referred to in clause 12 (*The Issuer Security Trustee's Powers*) of the New Parent Guarantor Second Priority Deed of Guarantee and Charge including (without limitation) any or all of the following that is to say
 - (a) to do every act or thing which the Attorney, Receiver or Administrator may deem to be necessary, proper or expedient for fully and effectually vesting, transferring or assigning the relevant New Parent Guarantor Second Priority Security and/or the New Parent Guarantor Second Priority Charged Property or any part thereof and/or the Principal's estate, right, title, benefit and/or interest

Signatures

Parent Guarantor

EXECUTED as a DEED
by  Le Bashforth
as duly authorised attorney
for and on behalf of
PUNCH TAVERNS (PMH) LIMITED
in the presence of:

(Signature of attorney)

Signature of witness

(Signature of witness)

Name of witness

MICHAEL HERBERT
(Name of witness)

Occupation

TRAINEE SOLICITOR

Address

Note Trustee

THE COMMON SEAL of
DEUTSCHE TRUSTEE COMPANY LIMITED
was affixed to this **DEED** in the presence of

Associate Director

Associate Director

Issuer Security Trustee

THE COMMON SEAL of
DEUTSCHE TRUSTEE COMPANY LIMITED
was affixed to this DEED in the presence of

Associate Director

Associate Director: