



Registration of a Charge

Company Name: **NORTHERN & SHELL PROPERTIES LIMITED**

Company Number: **04104529**



Received for filing in Electronic Format on the: **22/10/2021**

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Details of Charge

Date of creation: **12/10/2021**

Charge code: **0410 4529 0004**

Persons entitled: **THE NEW LOTTERY COMPANY HOLDINGS LIMITED**

Brief description: **N/A**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **RICHARD BEAZLEY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4104529

Charge code: 0410 4529 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th October 2021 and created by NORTHERN & SHELL PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd October 2021 .

Given at Companies House, Cardiff on 25th October 2021

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



Companies House



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

DATED 12 October 2021

Northern & Shell Properties Limited
as Chargor

The New Lottery Company Holdings Limited
as Chargee

Account Charge

We hereby certify that, save
for the material redacted
pursuant to s.896G of the
Companies Act 2006, this copy
instrument is a correct copy
of the original instrument.

Bryan Cave Leighton
Paisner LLP

21/10/21

Bryan Cave Leighton Paisner LLP
Governor's House
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12 October
DATED [4] 2021

PARTIES

- (1) **Northern & Shell Properties Limited** incorporated and registered in England and Wales with company number 04104529 whose registered office is at The Northern And Shell Building, Number 10 Lower Thames Street, London, EC3R 6EN (the "Chargor")
- (2) **The New Lottery Company Holdings Limited** incorporated and registered in England and Wales with company number 11188217 whose registered office is at The Northern & Shell Building, Number 10 Lower Thames Street, London, England, EC3R 6EN (the "Chargee")

BACKGROUND

- (A) Northern & Shell plc and the Chargee have, among others, entered into the Share Subscription Call Agreement.
- (B) The Chargor has agreed to provide Security to the Chargee to secure the payment and discharge of the Secured Obligations relating to the Share Subscription Call Agreement.

THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Charge, unless a contrary indication appears, words and expressions defined in the Share Subscription Call Agreement have the same meaning and interpretation in this Charge and:

"Account" means the securities and cash account of the Chargor with the Custodian numbered [REDACTED] (and any replacement account or subdivision or subaccount of that account and any renewal or redesignation of that account).

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"Charged Property" means the assets charged pursuant to Clause 4 (*Charged Property*) or otherwise the subject of any Security created by or pursuant to this Charge and includes any part or parts of such assets.

"Collateral Rights" means all rights, powers and remedies of the Chargee provided under this Charge or by law.

"Collateral Value Trigger Event" means any failure by the Chargor to comply with Clause 6.7 (*Collateral value covenant*).

"Custodian" means Kleinwort Hambros.

"Enforcement Event" means the occurrence of any of the following:

- (a) N&S fails to pay or procure the payment of any amounts due from it to the Chargee under the terms of the Share Subscription Call Agreement, unless such payment is made within 5 Business Days of its due date; or
- (b) a breach by the Chargor of any term of this Charge, unless such breach is capable of remedy and is remedied within 5 Business Days of the earlier of (A) the Chargee giving notice to the Chargor; and (B) the Chargor becoming aware of such breach.

"Investments" means all shares, stocks, debentures, bonds and other investments or securities of any kind in which the Chargor has an interest or which are held directly by the Chargor or held to the order of, on behalf of, or for the account of the Chargor (or any person acting (directly or indirectly) on its behalf) by any trustee, fiduciary, custodian or clearance system or other person, together with any associated interests and other assets.

"LPA" means the Law of Property Act 1925.

"N&S" means Northern & Shell plc, a public company incorporated under the laws of England and Wales with company number 04086466.

"Party" means a party to this Charge.

"Permitted Lien" means:

- (a) any lien or like right granted to the Custodian to secure the Chargor's obligations to the Custodian under the Custodian's standard terms and conditions relating to the Account; and
- (b) any lien routinely imposed on all securities in any relevant securities system.

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

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

"Related Rights" means:

- (a) allotments, money, property or other rights arising from any Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (b) dividends, distributions, interest and other income paid, payable, accruing or offered at any time on, derived from or in relation to any Investment;
- (c) stock, shares and securities offered in addition to, or in substitution for, any Investments;
- (d) all indemnities, guarantees, warranties or covenants for title in relation to any Investments; and
- (e) all other accretions, benefits, advantages and other rights of any kind accruing, offered or otherwise derived from the Investments or any of the items referred to in paragraphs (a) to (d) of this definition, whether by way of conversion, redemption, substitution, exchange, bonus, preference, option, payment, accrual, offer or otherwise.

"Secured Obligations" means all obligations at any time due, owing or incurred by N&S to the Chargee under the Share Subscription Call Agreement or owing or incurred by the Chargor to a Secured Party under this Charge, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity).

"Secured Party" means the Chargee and any Receiver.

"Securities Entitlement" means any claim or rights, proprietary or otherwise, against any depositary, custodian, clearing system or other similar person (including a broker, bank or the like and, for the avoidance of doubt, including the Custodian) in respect of any Investment or its Related Rights.

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

"Security Period" means the period starting on the date of this Charge and ending on the date when the Chargee is satisfied that:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) N&S has no liability, actual or contingent, to the Chargee under Share Subscription Call Agreement.

"Share Subscription Call Agreement" means the subscription and call agreement dated on or about the date of this Charge between N&S, the Chargee and The New Lottery Company Limited, as amended, varied, novated or supplemented from time to time.

1.2 Construction

1.2.1 Unless a contrary intention appears, in this Charge:

- (a) the rules of interpretation contained in Clause 2 of the Share Subscription Call Agreement shall apply to the interpretation of this Charge in so far as they are relevant to it;
- (b) any reference to a **"Secured Party"**, a **"Receiver"**, the **"Chargor"** or the **"Chargee"** shall be construed so as to include its (and any subsequent) successors in title, permitted assigns and permitted transferees;
- (c) any reference to **"this Charge"** or any other document or agreement is a reference to this Charge or such other document or agreement as amended, novated, supplemented, extended, restated or replaced from time to time;
- (d) any reference to the **"Chargee"** or a **"Secured Party"** (except for the references in Clause 14 (*Power of attorney*)) includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.3 Third party rights

1.3.1 A Secured Party and its respective officers, employees and agents may enforce any term of this Charge which purports to confer a benefit on that person, but no other

person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Charge.

- 1.3.2 Notwithstanding any term of the Share Subscription Call Agreement, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Charge without the consent of any person who is not a Party.

1.4 Effect as a deed

This Charge shall take effect as a deed even if it is signed under hand on behalf of the Chargee.

2 COVENANT TO PAY

- 2.1 Subject to Clause 2.2, the Chargor covenants with the Chargee that it shall on demand pay and discharge the Secured Obligations when due (provided that neither this covenant nor the Security constituted by this Charge shall extend to or include any liability or sum which would, but for this provision, cause this covenant or Security to be unlawful or prohibited by any applicable law).

- 2.2 The amount of the Chargor's liability under Clause 2.1 shall be limited to the amount realised from the disposal of the Charged Property.

3 NATURE OF SECURITY

The Security created under this Charge is created:

- (a) In favour of the Chargee;
- (b) as a continuing security to secure the payment and discharge of the Secured Obligations; and
- (c) with full title guarantee (except that the covenant set out in section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to all charges, encumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

4 CHARGE

The Chargor charges by way of first fixed charge the Account, together with:

- (a) all Investments from time to time held in the Account;
- (b) the Securities Entitlements from time to time represented by, and all Related Rights in respect of, those Investments;
- (c) the benefit of all rights of the Chargor as against the Custodian which relate to the Account under any agreement governing the terms and conditions of the Account; and
- (d) all cash and other balances or assets from time to time accrued to or standing to the credit of the Account.

5 REPRESENTATIONS AND WARRANTIES

The Chargor makes the following representations and warranties to the Chargee (for its own benefit and as trustee for the benefit of the other Secured Parties) on the date of this Charge and on each day during the Security Period:

- (a) (save for any withdrawal permitted under Clause 6.3), it has not sold or disposed of, or created, granted or permitted to subsist any Security over, all or any of its right, title and interest in the Charged Property;
- (b) it is the sole beneficial owner of the Charged Property;
- (c) all Authorisations required or desirable for the execution, delivery, issue, validity or enforceability of this Charge or of the performance of the Chargor's obligations under this Charge have been obtained and have not been (and the Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn or varied in whole or part; and
- (d) the Security contained in Clause **Error! Reference source not found.** (*Charge*) constitutes first priority Security over the assets which are expressed to be secured by such Security and those assets are not subject to any prior or *pari passu* Security (except for the Permitted Liens).

6 UNDERTAKINGS

The Chargor undertakes to the Chargee to comply with the following provisions of this Clause 6 throughout the Security Period.

6.1 Notices

6.1.1 The Chargor shall deliver an executed notice to the Custodian in the form set out in Part 1 of Schedule 1 (*Custodian Notice and Acknowledgement*) on the date of this Charge in respect of the Account.

6.1.2 The Chargor shall use all reasonable endeavours to procure that the Custodian completes and returns to the Chargee an acknowledgement in the form set out in Part 2 of Schedule 1 (*Custodian Notice and Acknowledgement*).

6.2 Negative pledge

The Chargor shall not create or permit to subsist any Security over any Charged Property, except for any Permitted Lien.

6.3 Disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Charged Property or make any withdrawal from the Account (any such sale, lease, transfer, disposal or withdrawal being, for the purposes of this clause, a "**Transaction**"), (except for and prior to the occurrence of an Enforcement Event and provided that no Collateral Value Trigger Event is outstanding or would result from it) a Transaction in the ordinary course of the Chargor's business.

6.4 Calls

The Chargor shall make all payments which become due in respect of any of the Investments forming part of the Charged Property and if it fails to do so, the Chargee may make the payment on behalf of the Chargor at the cost and risk of the Chargor.

6.5 Voting rights

6.5.1 Subject to Clause 6.5.2, the Chargor may exercise, or direct the exercise of, the voting and other rights and powers attached to any Charged Property as it sees fit if those rights and powers are not exercised in any manner which would breach the provisions of this Charge or prejudice the Security intended to be created over them by this Charge.

6.5.2 Following the occurrence of an Enforcement Event, the Chargee (or a Receiver) may (in the name of the Chargor or otherwise and without the Chargor's further consent or authority):

- (a) exercise (or refrain from exercising) any voting rights in respect of any Investments forming part of the Charged Property and/or any powers and rights conferred on the legal or beneficial owner of any such Investments;
- (b) receive and retain, or direct the Chargor to pay to it, all dividends, interest and other moneys arising from any such Investments; and
- (c) transfer any such Investments into the name of such nominee(s) of the Chargee as it shall require,

in such manner and on such terms as the Chargee (or Receiver) may think fit, and the proceeds of the action shall form part of the Charged Property.

6.5.3 Following the occurrence of an Enforcement Event, the Chargor and any nominee(s) shall comply, or procure compliance, with any directions of the Chargee (or any Receiver) in respect of the exercise of the rights set out in Clause 6.5.2 and shall promptly execute and deliver to the Chargee (or such Receiver) any forms of proxy which are required.

6.6 Charged Property

6.6.1 The Chargor shall:

- (a) promptly defend all claims brought in relation to the Charged Property and do whatever the Chargee requires in relation to anything which could have a material adverse effect on the Chargor's rights and interests in the Charged Property; and
- (b) promptly provide the Chargee with any information which it requests regarding the Account, the Charged Property and its compliance with this Charge.

6.6.2 The Chargor shall maintain (and not close) the Account and comply with all terms and conditions pertaining to the Account.

6.6.3 The Chargor shall not permit any variation to the rights attaching to the Account or any of the Charged Property without the Chargee's consent (not to be unreasonably withheld).

- 6.6.4 The Chargor shall, on request, promptly deliver to the Chargee evidence that the Chargor has complied with the provisions of this Clause 6 (**Undertakings**).

6.7 Collateral value covenant

The Chargor shall procure that the aggregate amount of all unpaid subscription prices owing by N&S that may fall due from it under the terms of the Share Subscription Call Agreement does not, at any time, exceed ninety per cent. of the value of the Charged Property as determined pursuant to Kleinwort Hambros monthly portfolio valuation report.

6.8 Notification of Enforcement Event

The Chargor shall notify the Chargee of an Enforcement Event (and if applicable, the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence.

6.9 Not to jeopardise Security

The Chargor will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Security constituted by this Charge or the priority of its ranking as expressed in this Charge and the Chargor will immediately inform the Chargee of anything which occurs which might have that effect.

7 ENFORCEMENT OF SECURITY

7.1 When the Security becomes enforceable

The Security created by this Charge shall become enforceable immediately:

- (a) if an Enforcement Event has occurred; or
- (b) if the Chargor requests the Chargee to exercise any of its powers under this Charge.

7.2 Powers on enforcement

At any time after the Security created by this Charge becomes enforceable, the Chargee may, without notice to the Chargor or authorisation from any court and without prejudice to any other of its rights and remedies, in its absolute discretion:

- (a) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit);
- (b) take possession of and hold or dispose of all or any part of the Charged Property; and
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Charge) on mortgagees and by this Charge on any Receiver or otherwise conferred by law on mortgagees or Receivers.

7.3 Right of appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Charge and the obligations of the Chargor under it constitute a "security financial

collateral arrangement" (In each case as defined in, and for the purposes of, the Regulations), the Chargee shall have the right to appropriate all or any part of it in or towards discharge of the Secured Obligations and transfer title in and to it to the Chargee. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of the Account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the market price determined by the Chargee by reference to a public Index or by such other process as the Chargee may select, including independent valuation.

In each case, the Parties agree that the method of valuation provided for in this Charge shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

8 EXTENSION AND VARIATION OF THE LPA

8.1 Extension of powers

The power of sale or other power conferred on the Chargee and on any Receiver by this Charge shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and that power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Charge.

8.2 Restrictions

The restrictions contained in sections 93, 103 and 109(1) of the LPA shall not apply to:

- (a) this Charge;
- (b) the exercise by the Chargee of its right to consolidate all or any of the Security created by or under this Charge with any other Security in existence at any time; or
- (c) the Chargee's power of sale,

which rights and powers may be exercised by the Chargee without notice to the Chargor.

9 APPLICATION OF MONEYS

9.1.1 The Chargee or any Receiver shall apply all moneys received by them under this Charge after the Security created under this Charge has become enforceable in the following order:

- (a) **firstly**, in or towards the payment pro rata of any unpaid costs and expenses of the Chargee or the Receiver under this Charge;
- (b) **secondly**, in or towards the payment pro rata of any unpaid fees, commission or remuneration of the Chargee or Receiver;
- (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Obligations;

- (d) **fourthly**, in or towards the discharge of the Secured Obligations in accordance with the Share Subscription Call Agreement; and
- (e) **fifthly**, in the payment of any surplus to the Chargor or other person entitled to it,

and section 109(8) of the LPA shall not apply.

9.1.2 The provisions in Clause 9.1.1 will override any appropriation made by the Chargor.

10 **APPOINTMENT OF RECEIVER**

10.1 **Appointment and removal**

At any time after the Security created by this Charge becomes enforceable, the Chargee may, by deed or otherwise and without notice to the Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (b) appoint two or more Receivers of separate parts of the Charged Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed; or
- (d) appoint another person(s) as an additional or replacement Receiver(s).

10.2 **Capacity of Receivers**

Each Receiver appointed under Clause 10.1 (*Appointment and removal*):

- (a) may act severally or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the Chargor which shall be solely responsible for the Receiver's acts, omissions, defaults, losses and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Chargee; and
- (c) shall be entitled to remuneration for his services at a rate to be determined by the Chargee from time to time (without being limited to the maximum rate specified by s109(6) of the LPA). The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of every Receiver.

10.3 **Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Chargee under the LPA (as extended by this Charge) or otherwise and those powers shall remain exercisable from time to time by the Chargee in respect of any part of the Charged Property.

11 **POWERS OF RECEIVER**

Subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) every

Receiver shall have, and be entitled to exercise at the cost of the Chargor, all the powers:

- (a) conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under the LPA;
- (b) of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (to the extent applicable, whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986);
- (c) in relation to the Charged Property, which it would have if it were its only beneficial owner including the power to do or omit to do anything which the Chargor itself could do or omit to do;
- (d) of the Chargee under this Charge; and
- (e) to do anything (including bringing or defending proceedings in the name or on behalf of the Chargor) which the Receiver considers incidental or conducive to any of the functions vested in him, to the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or to getting in any Charged Property or assets which when got in would be Charged Property.

12 PROTECTION OF PURCHASERS

12.1 Consideration

- 12.1.1 A receipt from the Chargee or any Receiver shall be conclusive discharge to any purchaser or other person dealing with the Chargee or any Receiver.
- 12.1.2 In making any sale or disposal of any of the Charged Property or making any acquisition, the Chargee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

12.2 Protection of purchasers

No purchaser or other person dealing with the Chargee or any Receiver shall be bound to enquire:

- (a) whether the rights and powers conferred by or under the Share Subscription Call Agreement have arisen or are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to those rights have been obtained or complied with;
- (c) as to the propriety or regularity of acts purporting, or intended, to be in exercise of those rights; or
- (d) as to the application of any money borrowed or raised,

and the protection to purchasers contained in sections 104 and 107 of the LPA and section 42(3) of the Insolvency Act 1986 shall apply to any purchaser.

13 FURTHER ASSURANCE

13.1 Further assurance

13.1.1 The Chargor shall execute any document and do anything else the Chargee requires (and in such form as the Chargee requires):

- (a) to give effect to this Charge and the transactions intended to be effected by it;
- (b) to create, perfect, protect and preserve the Security intended to be created by this Charge and its ranking with any other Security over any Charged Property;
- (c) to exercise any rights, powers and discretions of the Chargee or any Receiver in connection with any Charged Property;
- (d) to facilitate the realisation of any Charged Property;
- (e) to enable or assist the Chargee to enter into any transaction to start, defend or conduct any proceedings and/or take any other action relating to any Charged Property in any jurisdiction or under the law of any jurisdiction; and/or
- (f) for any similar or related purpose.

13.1.2 The Chargor shall deliver to the Chargee such evidence of the due authorisation and execution of any document delivered or thing done under Clause 13.1.1 as the Chargee may require.

14 POWER OF ATTORNEY

14.1 Appointment and powers

The Chargor irrevocably and by way of security appoints the Chargee and any Receiver to be its attorney (with full power of substitution) and in its name, on its behalf to execute, deliver and perfect all documents and do all things which the attorney may consider necessary or desirable to:

- (a) carry out any obligation imposed on the Chargor by this Charge or any other agreement binding on it to which the Chargee is party; and
- (b) enable the Chargee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them under this Charge or by law.

14.2 Ratification

The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

15 EFFECTIVENESS OF SECURITY

15.1 Cumulative rights

The Security created under this Charge and the Collateral Rights shall be cumulative, in addition to and independent of every other Security which the Chargee or any

Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Chargee (whether in its capacity as Chargee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge with any contractual right or remedy or other Security now or in the future held or available to any Secured Party.

15.2 No prejudice

Neither the Security created under this Charge nor the Collateral Rights shall be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Chargee (whether in its capacity as trustee or otherwise) or any other Secured Party or by any variation of the terms of the trust on which the Chargee holds the Security or by anything else which might otherwise prejudice that Security or any Collateral Right.

15.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under this Charge shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Charge are cumulative and not exclusive of any rights or remedies provided by law.

15.4 Effectiveness of Security

The Security created under this Charge shall remain in full force and effect unless and until discharged by the Chargee and no part of the Security from time to time intended to be constituted by this Charge will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

15.5 No liability

15.5.1 None of the Secured Parties shall be liable for any action taken by it under or in connection with this Charge, for any neglect or default in connection with the Charged Property or for taking possession of, or realising all or any part of, the Charged Property, unless directly caused by its gross negligence or wilful default. In particular, no Secured Party shall be liable for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

15.5.2 The exercise by the Chargee and/or others appointed by it of the powers conferred by this Charge shall not render the Chargee liable to account as a mortgagee in possession.

15.6 Waiver of defences

The obligations of the Chargor under this Charge, the Secured Obligations and the Security created under this Charge will not be affected by an act, omission, matter or thing which, but for this Clause 15.6, would reduce, release or prejudice any of his/her obligations under this Charge, the Secured Obligations or the Security created under this Charge or (without limitation and whether or not known to the Chargor or the Chargee) including:

- (a) any time, waiver or consent granted to, or composition with, N&S, the Chargor or any other person;
- (b) the release of N&S, the Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, N&S, the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of N&S, the Chargor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of the Share Subscription Call Agreement or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under the Share Subscription Call Agreement or any other document or security; or
- (g) any bankruptcy, insolvency or similar proceedings against N&S or the Chargor.

15.7 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Chargee (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargor under this Charge. This waiver applies irrespective of any law or any provision to the contrary in the Share Subscription Call Agreement.

15.8 **Deferral of rights**

During the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Charge or the enforcement of the Security created by it to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under the Share Subscription Call Agreement or of any other guarantee or Security taken under, or in connection with this Charge by the Chargee.

15.9 **New accounts**

If the Chargee receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Charged Property it may open a new account or accounts in the name of the Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by or on behalf of the Chargor to the Chargee:

- (a) shall be credited or be treated as having been credited to the new account of the Chargor; and

- (b) shall not operate to reduce the Secured Obligations at the time when the Chargee received or was deemed to have received the notice.

16 RELEASE OF SECURITY

16.1 Redemption of Security

At the end of the Security Period, the Chargee shall release and cancel the Security constituted by this Charge at the request and cost of the Chargor, in each case subject to Clause 16.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Chargee or any of its nominees.

16.2 Avoidance of payments

If the Chargee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under, and the Security constituted by, this Charge shall continue and that amount shall not be considered to have been irrevocably paid.

16.3 Other obligations

Any release or discharge of all or any of the Security created by this Charge shall not release or discharge the Chargor from any liability to any Secured Party which might exist independently of this Charge.

17 CURRENCY

The Chargee may convert any moneys received, recovered or realised in any currency under this Charge from their existing currency into any other currency by purchasing that other currency at the spot rate of exchange for that party for the purchase of any currency with any other currency in the London foreign exchange market.

18 ASSIGNMENT

The Chargee may assign any of its rights under this Charge to any person to whom it may assign or transfer any of its rights or obligations under the Share Subscription Call Agreement.

19 NOTICES

19.1 Communications in writing

Any communication to be made under or in connection with this Charge shall be made in writing and, unless otherwise stated, shall be made by letter or email.

19.2 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Charge is:

- (a) in the case of the Chargor, that identified with its name below;
- (b) in the case of the Chargee, that identified with its name below,

or any substitute address or email address or department or officer as the Party may notify to the other Party by not less than five Business Days' notice.

19.3 **Delivery**

19.3.1 Any communication or document made or delivered by one person to another under or in connection with this Charge will only be effective:

- (a) If by way of email, when received in legible form; or
- (b) If by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 19.2 (*Addresses*) if addressed to that department or officer.

19.3.2 Any communication or document to be made or delivered to the Chargee will be effective only when actually received by the Chargee and then only if it is expressly marked for the attention of the department or officer identified with the Chargee's signature below (or any substitute department or officer as the Chargee shall specify for this purpose).

19.4 **Legal proceedings**

This Clause 19 (*Notices*) does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

20 **PARTIAL INVALIDITY**

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

21 **AMENDMENTS AND WAIVERS**

Any term of this Charge may be amended or waived only with the consent of the Chargee and the Chargor.

22 **COUNTERPARTS**

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

23 **GOVERNING LAW**

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

24 ENFORCEMENT

24.1 Jurisdiction

- 24.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Charge (including a dispute relating to the existence, validity or termination of this Charge or any non-contractual obligation arising out of or in connection with this Charge) (a "**Dispute**").
- 24.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 24.1.3 This Clause 24.1 is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

This Charge has been executed as a deed and delivered on the date stated at the beginning of this Charge.

Schedule 1
Custodian Notice and Acknowledgement
Part 1 - Notice of Charge

To: [Custodian as provider of the Secured Account]

Date: [●]

Dear Sirs

[Description of relevant account] (the "Secured Account")

- 1 We refer to the Secured Account (which expression shall include all moneys standing to the credit of that account now or in the future).
- 2 We give you notice that by a Charge dated [●] (the "**Charge**") between us and The New Lottery Company Holdings Limited (the "**Chargee**"), we have charged, by way of first fixed charge, the Secured Account to the Chargee.
- 3 We irrevocably and unconditionally instruct and authorise you:
 - (a) following the Chargee giving you a notice that the Charge has become enforceable (an "**Enforcement Notice**");
 - (i) not to release any moneys or assets from the Secured Account without the Chargee's written consent;
 - (ii) to comply with the terms of any written notice or instructions relating to the Account received by you from the Chargee; and
 - (iii) to pay or release all or any part of the monies or assets standing to the credit of the Secured Account in accordance with the written instructions of the Chargee
 - (b) to disclose any information relating to the Secured Account which the Chargee may from time to time request; and
- 4 Prior to an Enforcement Notice being delivered to you, we remain entitled to make withdrawals from the Secured Account without the consent of the Chargee.
- 5 You confirm that:
 - (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, deduction, set-off or any other equities against us or the Chargee in respect of the Secured Account (other than in respect of your charges arising under the terms and conditions of the Secured Account and relating to the provision of the Secured Account); and
 - (b) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by us shall be effective without the Chargee's written consent and in any event no such termination or rescission shall be effective unless you have given notice to the Chargee.

- 6 Notwithstanding anything in this notice or otherwise we (and not the Chargee or its appointees) shall be liable under the Secured Account to perform all the obligations assumed by us under it.
- 7 The instructions and authorisations contained in this letter shall remain in full force and effect until the Chargee gives you written notice revoking them.
- 8 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Chargee.
- 9 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

For and on behalf of Northern & Shell Properties Limited

Part 2 - Acknowledgement of Notice of Charge

To: The New Lottery Company Holdings Limited
The Northern & Shell Building
Number 10 Lower Thames Street
London
EC3R 6EN

For the attention of: [●]

Date: [●] 2021

Dear Sirs

[Description of relevant account]

- 1 We acknowledge receipt of a notice dated [●] (the "Notice") and addressed to us by Northern & Shell Properties Limited (the "Chargor").
- 2 Terms defined in the Notice but not in this acknowledgement shall have the same meaning in this acknowledgement as in the Notice.
- 3 We confirm our acceptance of the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- 4 We acknowledge and confirm that:
 - (a) we have not received notice of any previous assignments or charges of or over the Secured Account;
 - (b) following the delivery to us of an Enforcement Notice, we will not release any moneys or assets from the Secured Account without your written consent;
 - (c) we will disclose to you any information relating to the Secured Account which you may from time to time request;
 - (d) following the delivery to us of an Enforcement Notice, we will pay or release all or any part of the monies or assets standing to the credit of the Secured Account in accordance with your written instructions.
 - (e) we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against you or the Chargor in respect of the Secured Account (other than in respect of our charges arising under the terms and conditions of the Secured Account and relating to the provision of the Secured Account);
 - (f) no amendment, waiver or release of any right or obligation in connection with the Secured Account and no termination or rescission of the Secured Account by the Chargor shall be effective without your written consent;
 - (g) the Chargor (and not you or your appointees) shall be liable under the Secured Account to perform all the obligations assumed by the Chargor under it; and
 - (h) these instructions may not be altered without your written consent.
- 5 This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

For and on behalf of [*Custodian as provider of the Secured Account*]

EXECUTION PAGE

THE CHARGOR

NORTHERN & SHELL PROPERTIES LIMITED

Executed as a deed by Northern & Shell)
Properties Limited acting by)

In the presence of

Director

Name of witness: *MINI GURBAN*

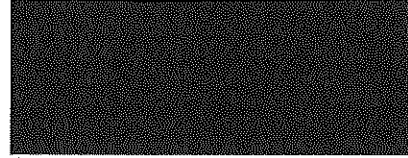
Signature of witness:

Address:

THE CHARGE

THE NEW LOTTERY COMPANY HOLDINGS LIMITED

Executed on behalf of The New Lottery)
Company Holdings Limited acting by:)



Director