



Registration of a Charge

Company name: **THE LEXIS AGENCY LIMITED**

Company number: **04404752**



X6ZPMO9M

Received for Electronic Filing: **13/02/2018**

Details of Charge

Date of creation: **05/02/2018**

Charge code: **0440 4752 0005**

Persons entitled: **HSBC BANK PLC**

Brief description: **THIS CHARGE CREATES A FIRST FIXED CHARGE OVER ANY RIGHT, PRIVILEGE, POWER OR IMMUNITY, OR ANY INTEREST OR REMEDY, OF ANY KIND, WHETHER IT IS PERSONAL OR PROPRIETARY ("RIGHT") IT NOW HAS AND ANY RIGHT WHICH IT OBTAINS AT ANY TIME IN THE FUTURE IN MATERIAL LAND AND INTELLECTUAL PROPERTY (AS EACH SUCH TERM IS DEFINED IN THE INSTRUMENT), AND IN ANY RIGHTS ACCRUING TO, DERIVED FROM OR OTHERWISE CONNECTED WITH THEM. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4404752

Charge code: 0440 4752 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th February 2018 and created by THE LEXIS AGENCY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th February 2018 .

Given at Companies House, Cardiff on 15th February 2018

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

Confidential

EXECUTION VERSION

Dated

5 February 2018

NEXT FIFTEEN COMMUNICATIONS GROUP PLC

AND OTHERS

as Chargors

And

HSBC BANK PLC

as Chargee

DEBENTURE

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

11/47316233_3

Sign & Dated ¹
Norton Rose Fulbright LLP
13 February 2018

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Deed dated 5 February 2018

PARTIES

Chargors	Next Fifteen Communications Group PLC and the other companies described in Schedule 1
Chargee	HSBC Bank PLC

SUMMARY

Chargors	the companies described in Schedule 1, as varied from time to time
Chargee	HSBC Bank PLC
Charged Assets	all assets of the Chargors from time to time
Secured Obligations	means the Obligations undertaken to be paid or discharged in Clause 2 (<i>Payment of Secured Obligations</i>)
Type of security	fixed and floating charges
Law	English law
Ranking	Notwithstanding anything to the contrary, the Security granted or purported to be granted herein shall, to the extent the First Debenture and/or the Second Debenture are still in force and effective, rank behind (and shall be subject to) the Security granted or purported to be granted under the First Debenture which is first-ranking, and the Security granted or purported to be granted under the Second Debenture which is, to the extent the First Debenture is still in force and effective, second-ranking or, to the extent the First Debenture and the Security granted or purported to be granted therein has been released and discharged in full, first ranking.

IT IS AGREED as follows:

Interpretation

1 Definitions and interpretation

Definitions

1.1 In this Deed:

Additional Chargor means a company which becomes a party to this Deed by executing a Supplemental Deed

Administrative Receiver means one or more administrative receivers appointed, or to be appointed, under this Deed

Administrator means one or more administrators appointed, or to be appointed, under this Deed

Borrower means Next Fifteen Communications Group PLC, incorporated in England and Wales with company number 01579589

Charged Assets means the Fixed Charge Assets and the Floating Charge Assets

Chargee Security means the Security created by this Deed and any other existing or future Security granted by a Chargor to the Chargee to secure the payment and discharge of Secured Obligations

Chargee Security Document means a document creating or evidencing Chargee Security

Chargor means an Original Chargor or an Additional Chargor

Debt means a monetary claim of any kind (whether present, future or contingent and whether originally owing to the person entitled to it or acquired by that person from someone else) and all Rights (including Security) connected with it

Default Rate means the rate specified in clause 9.3 of the Facility Agreement

Disposal means any sale, lease, licence, transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right over an asset in favour of another person, but not the creation of Security

Enforcement Time, in relation to a Chargor, means any time at which an Event of Default has occurred and is continuing

Equipment means plant, machinery, vehicles and other equipment used in a business, except equipment of a type which is disposed of in the ordinary course of trading and all warranties and other Rights relating to them

Event of Default has the meaning given to that term in the Facility Agreement

Facility Agreement means the facility agreement dated 29 October 2014 between, amongst others, the Borrower and the Chargee as amended, restated, supplemented or modified from time to time including, but not limited to, pursuant to an amendment and restatement agreement dated 8 March 2016, the amendment letters dated 26 September 2016 and 3 February 2017, an amendment and restatement agreement dated 5 July 2017 and an amendment and restatement deed dated on or about the date of this Deed

Finance Documents means:

- (a) the Facility Agreement;
- (b) this Deed and any other Chargee Security Document;
- (c) the US Security Documents;
- (d) any other document defined as such in the Facility Agreement; and
- (e) any other document designated as such by the Borrower and the Chargee at any time

First Debenture means the English law debenture dated 29 October 2014 between amongst others, the Borrower and the Chargee in respect of which Publitek Limited and MIG Global Limited granted a supplemental debenture dated 5 October 2016

Fixed Charge Assets means those assets which are from time to time the subject of clauses 3.2, 3.3 and 3.5

Floating Charge Assets means those assets which are from time to time the subject of clause 3.4

Inactive Subsidiary means a Subsidiary which is either dormant or non-trading

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or

- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation

Intellectual Property has the meaning given to it in the Facility Agreement

Investment means:

- (a) an investment described in Schedule 3 (*Investments*);
- (b) any shares or loan capital held in a Subsidiary incorporated in England and Wales;
- (c) any investment acquired after the date of this Deed which is designated as an Investment by the Borrower and the Chargee at or about the time of its acquisition; and
- (d) any other debt or equity security or any warrant or option to acquire or subscribe for any such security (whether it is held directly or through a custodian, clearing house or other person) unless it is of a type which is not held as an investment and is accordingly disposed of in the ordinary course of trading,

and any accretions to them and other Rights arising in connection with them

Key Account means:

- (a) any account established after the date of this Deed which is designated as a Key Account by the Borrower and the Chargee at or about the time of its establishment; and
- (b) any other account with a bank or financial institution which cannot be drawn on by the account holder in the ordinary course of its trading without the consent of the Chargee

Key Contract means any contract entered into after the date of this Deed which is designated as a Key Contract by the Borrower and the Chargee at or about the time it was entered into

Land means:

- (a) freehold, leasehold or commonhold land;
- (b) any estate or interest in, and any Rights attaching or relating to, that land; and

- (c) any buildings, fixtures and fittings (including trade fixtures and fittings) and other equipment attached to, situated on or forming part of that land

Material Adverse Effect has the meaning given to that term in the Facility Agreement

Material Company has the meaning given to that term in the Facility Agreement

Material Land means any Land in which a Chargor has an interest which has a market or book value of more than £1,000,000.

Obligations, in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;
- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else

Officer, in relation to a person, means any officer, employee or agent of that person

Original Chargor means a person described in Schedule 1

Permitted Security means any Security granted by any of the Chargors which is permitted by the Facility Agreement

Receiver means an Administrative Receiver or a Specific Receiver

Right means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary

Second Debenture means the English law debenture dated 5 July 2017 between amongst others, the Borrower and the Chargee

Secured Obligations means the Obligations undertaken to be paid or discharged in clause 2 (*Payment of Secured Obligations*).

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

Specific Receiver means one or more receivers or managers appointed, or to be appointed, under this Deed who is not an Administrative Receiver

Subsidiary means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006 and in interpreting those provisions for the purposes of this Deed, a company is to be treated as a member of a subsidiary even if its shares are registered in the name of (i) a nominee, or (ii) any party holding Security over those shares, or that secured party's nominee

Supplemental Deed means a deed by which a company becomes party to this Deed in a form agreed by the Borrower and the Chargee

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999

US Security Documents has the meaning given to that term in the Facility Agreement

VAT means value added tax.

Interpretation

1.2 In this Deed:

- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;
- (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
- (c) references to the Facility Agreement, any Finance Document or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;
- (e) references to a person include its successors in title, permitted assignees and permitted transferees;
- (f) words importing the plural include the singular and vice versa; and
- (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Chargee, after consultation with the Borrower, determines to be necessary in order to preserve the intended effect of this Deed.

1.3 The Obligations of the Chargors under this Deed are joint and several.

- 1.4 It is intended that this document takes effect as a deed even though the Chargee may only execute it under hand.
- 1.5 This Deed may be executed in counterparts.
- 1.6 The provisions of any other Finance Document relating to:
- (a) any disposition of an interest in land; or
 - (b) any obligation of the Chargee to make further advances,
- are deemed to be incorporated in this Deed.
- 1.7 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.
- 1.8 Notwithstanding anything express or implied to the contrary, this Deed and the Security granted or purported to be granted under it (including the timing, nature and extent of the creation of such Security) is subject to, in all respects, the First Debenture, the Second Debenture and the Security granted or purported to be granted under the First Debenture and the Second Debenture. The parties to this Deed hereby agree and acknowledge that the Security granted or purported to be granted under this Deed shall, to the extent the First Debenture and/or the Second Debenture are still in force and effective, rank behind the Security granted or purported to be granted under the First Debenture which is first-ranking, and the Security granted or purported to be granted under the Second Debenture which is, to the extent the First Debenture is still in force and effective, second-ranking or, to the extent the First Debenture and the Security granted or purported to be granted therein has been released and discharged in full, first ranking. No breach of this Deed shall occur by virtue of:
- (a) the existence of the First Debenture, the Second Debenture or the Security constituted thereby;
 - (b) anything done in pursuance of the First Debenture or the Second Debenture; or
 - (c) the extent that this Deed imposes an obligation which cannot be performed or purports to create Security which cannot be created, in each case due to compliance by a Chargor with its obligations under the First Debenture or the Second Debenture or due to the Security created under the First Debenture or the Second Debenture.

This clause 1.8 shall not fetter the ability of the Chargee to enforce its rights arising under this Debenture and the Security created hereby.

Parties and third parties

- 1.9 The Chargee is a party to this Deed.
- 1.10 Each Receiver and each Officer of the Chargee or a Receiver are not parties to this Deed. However, the Rights conferred on them under this Deed are enforceable by each of them under the Third Parties Act.
- 1.11 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.12 The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they must obtain consent if the termination or variation adversely affects the Rights of a Receiver or of an Officer of the Chargee or a Receiver under this Deed, but only to the extent that it has notified the Chargee that it intends to enforce that clause at the time of the termination or variation.

Security

2 Payment of Secured Obligations

Each Chargor will pay or otherwise discharge all Obligations from time to time owing by it to the Chargee when they become due for payment or discharge and all Obligations incurred by it to any person under or in connection with the Finance Documents.

3 Charges

3.1 The charges contained in this clause 3:

- (a) are given to the Chargee
- (b) secure the payment and discharge of the Secured Obligations
- (c) are given, subject to Permitted Security, with full title guarantee.

3.2 Each Chargor charges, by way of legal mortgage:

- (a) all the Material Land (other than Material Land situated in Scotland) of which a brief description is contained in Schedule 2 (*Land*); and
- (b) all other Material Land (other than Material Land situated in Scotland) now owned by it, and any Rights accruing to, derived from or otherwise connected with it (including insurances and proceeds of Disposal and of insurances).

3.3 Each Chargor charges, by way of fixed charge, all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:

- (a) Material Land (other than Material Land situated in Scotland), other than that charged under clause 3.2 but only to the extent permitted by the terms of the arrangements under which that Chargor holds that Material Land;
- (b) Equipment;
- (c) Investments;
- (d) Key Contracts (but only to the extent permitted by the terms of those Key Contracts);
- (e) Key Accounts;
- (f) Intellectual Property;
- (g) goodwill and uncalled capital,

and in any Rights accruing to, derived from or otherwise connected with them (including insurances and proceeds of Disposal and of insurances).

- 3.4 Each Chargor charges, by way of floating charge, its undertaking and all its present and future assets other than those effectively charged under clauses 3.2 or 3.3, including, for the avoidance of doubt, Debts.
- 3.5 The Chargee may convert all or part of the floating charge created by each Chargor under clause 3.4 over any assets of a Chargor into a fixed charge over those assets by giving notice to that effect to the Chargor concerned and specifying the identity of the assets concerned. This may be done on one or more occasion, but only (a) during an Enforcement Time or (b) if the Chargee reasonably considers that its security over the assets concerned is in jeopardy and that it is necessary to do so to protect or preserve its security over those assets. This clause 3.5 shall not apply to assets situated in Scotland or governed by Scots law if and to the extent that any such conversion is ineffective under Scots law or would result in any Receiver being unable to exercise any powers under section 72 of the Insolvency Act 1986.

4 Set-off

- 4.1 The Chargee may set off any matured Secured Obligation due from a Chargor (to the extent beneficially owned by the Chargee) against any matured obligation owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- 4.2 If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.
- 4.3 These Rights are in addition to the security conferred on the Chargee under this Deed.

5 Restrictions

- 5.1 Each Chargor will ensure that the restrictions contained in this clause 5 are complied with unless the Chargee agrees (whether hereunder or under the First Debenture or the Second Debenture) to the contrary.
- 5.2 No Security will exist over, or in relation to, any Charged Asset other than Permitted Security.
- 5.3 There will be no Disposal of any Fixed Charge Asset other than as permitted under the Facility Agreement.
- 5.4 There will be no Disposal of any Floating Charge Asset other than as permitted under the Facility Agreement.

6 Perfection

General action

6.1 Each Chargor will, at its own expense and as soon as reasonably practicable, create all such Security, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Chargee may reasonably require from time to time in order to:

- (a) ensure that it has an effective fixed charge (or, in the case of Material Land situated in England and Wales then owned by that Chargor, a charge by way of legal mortgage) over the Fixed Charge Assets;
- (b) ensure that it has an effective floating charge over the Floating Charge Assets; and
- (c) if an Event of Default is continuing, facilitate the enforcement of the Chargee Security, the realisation of the Charged Assets or the exercise of any Rights held by the Chargee or any Receiver or Administrator under or in connection with the Chargee Security,

save to the extent that, in the case of paragraph (a) above, the same has not been effected due to the existence of Permitted Security and save, in the case of any of the paragraphs above, that the same is not possible due to the existence of the First Debenture or the Second Debenture, the obligations thereunder or the Security constituted thereby.

6.2 The scope of clause 6.1 is not limited by the specific provisions of the rest of this clause 6 or by any other provision of the Chargee Security Documents.

Notification

6.3 If, after the date of this Deed, a Chargor acquires (a) Rights in Land, (b) a new Subsidiary or (c) Rights in any other material asset, it will notify the Chargee as soon as reasonably practicable and will provide it with such information about the acquisition as the Chargee may reasonably require.

Land

6.4 If required to do so by the Chargee, each Chargor will, if permitted to do so by the terms of the arrangements under which it holds that Land, execute as soon as reasonably practicable a charge by way of legal mortgage over any Material Land in England and Wales owned by it at that time which is not already the subject of such a charge in favour of the Chargee, in any form which the Chargee may reasonably require.

6.5 Each Chargor agrees to the entry of the following restriction in the proprietorship register of the title to any Land in England and Wales which now or in the future is the subject of a charge by

way of legal mortgage in favour of the Chargee and which is, or is required to be, registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Charge dated [date of this Deed] in favour of HSBC Bank plc of 8 Canada Square, London, E14 5HQ referred to in the Charges Register."

- 6.6 If any Material Land in which a Chargor has Rights now or in the future is required to be registered at the Land Registry, the Chargor will, within the relevant priority period under the Land Charges Act 1972:
- (a) apply to the Land Registry for first registration of the title to that Land and registration of that Chargor as proprietor of that Land and notify the Chargee of its title number; and
 - (b) if so required by the Chargee, create a charge by way of legal mortgage over that Land in favour of the Chargee or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.7 If any Material Land in which a Chargor has Rights is already registered when those Rights are acquired, that Chargor will within the priority period of the relevant Land Registry Official Search:
- (a) apply to the Land Registry for its title to that Land to be registered and give notice of the title number to the Chargee; and
 - (b) if so required by the Chargee, create a charge by way of legal mortgage over that Land in favour of the Chargee or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.8 If any Material Land in which a Chargor has Rights now or in the future is not required to be registered at the Land Registry (other than Material Land situated in Scotland), the Chargor will, within the relevant priority period under the Land Charges Act 1972, apply to register a Class C Land Charge in respect of this Deed at the Land Charges Registry if the title deeds and documents to that Land are not deposited with the Chargee under clause 6.10 (*Documents*) or with the chargee under the First Debenture under clause 6.10 (*Documents*) of the First Debenture or with the chargee under the Second Debenture under clause 6.10 (*Documents*) of the Second Debenture.
- 6.9 Each Chargor will, as soon as reasonably practicable, procure the entry of a note of the obligation to make further advances under the terms of the Facility Agreement on the Charges Register of any registered land forming part of the Land over which it has created a charge by way of legal mortgage in favour of the Chargee.

- 6.10 Each Chargor will, as soon as reasonably practicable, deposit with the Chargee all deeds and documents of title and all leases, licences and other ancillary documents received by it or on its behalf in relation to its Material Land to the extent not already deposited or required to be deposited with the chargee under the First Debenture or under the Second Debenture.

Shares

- 6.11 If, at any time, a Chargor owns shares in a Subsidiary (other than an Inactive Subsidiary) incorporated in England and Wales, it will:
- (a) on the date of this Deed (or, if it acquires the shares later, as soon as practicable after it does so), deposit with the Chargee all certificates or other documents of title to those shares and stock transfer forms for them, executed in blank by the Chargor to the extent not already deposited or required to be deposited with the chargee under the First Debenture or the Second Debenture;
 - (b) if required to do so by the Chargee (and to the extent that the Chargor is able to do so) amend the articles of association of the Subsidiary concerned as soon as reasonably practicable and in the manner reasonably required by the Chargee (and procure that the Subsidiary takes, or omits to take, all such other steps as the Chargee may require as soon as reasonably practicable) in order to enable it to enforce its security without restriction; and
 - (c) at an Enforcement Time, procure that the Chargee or its nominee becomes registered as the legal owner of the shares concerned.

Key Accounts and Key Contracts

- 6.12 If, at any time, a Chargor has a Right in respect of a Key Account or a Key Contract, it will, on the date of this Deed (or, if it acquires the Right later, as soon as practicable after it does so) but in relation to a Key Contract only if permitted by the terms of the Key Contract to do so:
- (a) deliver a notice of this Deed to the other parties to the relevant Key Account or Key Contract substantially in the form set out in the applicable part of Schedule 4 (*Notice and acknowledgement of charge*); and
 - (b) use reasonable endeavours to procure that those parties deliver an acknowledgement of the notice to the Chargee substantially in the form set out in that part of that Schedule as soon as reasonably practicable.

Subsequent security

- 6.13 If the Chargee receives notice that any Security has been created over Charged Assets which the Finance Documents do not constitute Permitted Security, the Chargee will be treated as if it

had immediately opened a new account for each Chargor, and all payments received by the Chargee from that Chargor will be treated as if they had been credited to the new account and will not reduce the amount then due from that Chargor to the Chargee.

Automatic release

- 6.14 If a Chargor disposes of any of its assets pursuant to paragraph (g) of the definition of Permitted Disposal (as defined in clause 1.1 of the Facility Agreement), the Chargee agrees and acknowledges that the Security granted or purported to be granted pursuant to this Deed shall be automatically released upon such disposal and shall as soon as reasonably practicable following a request from, and at the cost of, the relevant Chargor (i) return to the Borrower all certificates or other documents of title in respect of those assets and any corresponding stock transfer forms or other transfer certificates or agreements that have been delivered to the Chargee pursuant to this Clause 6 (*Perfection*); and (ii) do all such acts, execute and deliver all such documents (including releases, notices and instructions) or take all such actions as is available to it (including making all filings and registrations) as may be necessary to effect such release.

7 Enforcement

Time for enforcement

- 7.1 The Chargee may enforce the Chargee Security created by a Chargor at any time which is an Enforcement Time or if the Chargor concerned requests it to do so.

Methods of enforcement

- 7.2 The Chargee may enforce the Chargee Security by:
- (a) appointing an Administrator of that Chargor;
 - (b) if permitted to do so by the Insolvency Legislation, appointing an Administrative Receiver of that Chargor;
 - (c) appointing a Specific Receiver of assets of that Chargor;
 - (d) going into possession of, receiving the benefit of, or selling assets of the Chargor, giving notice to the Chargor or any other person in relation to any assets of the Chargor, exercising a right of set-off or in any other way it may decide; or
 - (e) taking any other action it may decide in any jurisdiction other than England.
- 7.3 To the extent that the Chargee Security arises under a security financial collateral arrangement, the Chargee may also enforce it by giving written notice to the Chargor that it is appropriating those Charged Assets which consist of financial collateral. On receipt of that notice by the Chargor, the Chargee will automatically become the absolute owner of that financial collateral and the Chargor will have no further interest in it. The value of the financial collateral will, as soon as practicable after it has been established, be applied in discharge of the equivalent amount of the Secured Obligations in accordance with clause 8 (*Application of proceeds*). For this purpose, the Chargee will value the financial collateral as follows:
- (a) in the case of cash, by reference to its face value received by the Chargee;
 - (b) in the case of credit claims, by reference to the amount actually recovered by the Chargee; and
 - (c) in the case of financial instruments, by reference to such public indices, valuations or other matters as the Chargee may reasonably decide.

Expressions defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 will have the same meanings in this clause.

- 7.4 An Administrator must be appointed in accordance with the Insolvency Legislation.

- 7.5 A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.
- 7.6 The appointment of a Receiver may be made subject to such limitations as are specified by the Chargee in the appointment.
- 7.7 If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Chargee may specify to the contrary in the appointment.
- 7.8 Subject to the Insolvency Legislation, the Chargee may remove or replace any Receiver.
- 7.9 If required by the Insolvency Legislation, an Administrator or Receiver must be a person qualified to act as such under it.

Powers on enforcement

- 7.10 An Administrator will have the powers given to him by the Insolvency Legislation.
- 7.11 An Administrative Receiver of a Chargor will have:
- (a) the powers given to him by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in section 103 of that Act; and
 - (c) the power to do, or omit to do, on behalf of the Chargor, anything which that Chargor itself could have done, or omitted to do, if its assets were not the subject of Security and the Chargor were not in insolvency proceedings.
- 7.12 A Specific Receiver will have the same powers as an Administrative Receiver in respect of the assets over which he is appointed.
- 7.13 The Chargee will, if it enforces the Chargee Security itself, have the same powers as an Administrative Receiver in respect of the assets which are the subject of the enforcement.
- 7.14 Except to the extent provided by law, none of the powers described in this clause 7 will be affected by an Insolvency Event in relation to a Chargor.

Status and remuneration of Receiver

- 7.15 A Receiver of a Chargor will be the agent of that Chargor until the Chargor goes into liquidation. He will have no authority to act as agent for the Chargee, even in the liquidation of the Chargor.
- 7.16 The Chargee may from time to time determine the remuneration of any Receiver.

Third parties

7.17 A person dealing with the Chargee or with a Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:

- (a) those persons have the power to do those things which they are purporting to do; and
- (b) they are exercising their powers properly.

8 Application of proceeds

All money received by the Chargee or a Receiver under or in connection with the Finance Documents (whether during, or before, enforcement of the Chargee Security) will, subject to the rights of any persons having priority, be applied in the following order of priority:

- (a) first, in or towards payment of all amounts payable to the Chargee, any Receiver or their Officers under clause 18 (*Expenses, liability and indemnity*) and all remuneration due to any Receiver under or in connection with the Chargee Security;
- (b) secondly, in or towards payment of the Secured Obligations in such order as the Chargee may determine (and, if any of the Secured Obligations are not then payable, by payment into a suspense account until they become payable); and
- (c) thirdly, in payment of any surplus to the Chargor or other person entitled to it.

Undertakings

9 Land and Equipment

9.1 Each Chargor will:

- (a) not breach any applicable statutory, regulatory, environmental and contractual obligations relating to its Material Land or its use to the extent such breach has or is reasonably likely to have a Material Adverse Effect; and
- (b) not breach any obligations imposed on it, and shall enforce the observance and performance of all material obligations of all other persons, under any lease of its Material Land to the extent that such breach or such failure to enforce would have or is reasonably likely to have a Material Adverse Effect.

9.2 Each Chargor will keep its Material Land and Equipment in the same or better condition as it is on the date of this Debenture or (if acquired later) at its date of acquisition (fair wear and tear excepted) and permit the Chargee and its representatives to enter and view their state and condition at reasonable times and upon giving reasonable notice to the Chargor.

9.3 No Chargor will, without the written consent of the Chargee (such consent not to be unreasonably withheld) except to the extent it has obtained the written consent of the chargee under the First Debenture or the Second Debenture:

- (a) grant or extend any lease, agreement for lease or licence, or part with or share possession or occupation, of its Material Land other than in the ordinary course of business of the relevant Chargor or on arm's length terms;
- (b) grant any licence or permission to any occupier to assign, underlet, part with possession or occupation or change the use of its Material Land other than in the ordinary course of business of the relevant Chargor or on arm's length terms;
- (c) determine, accept or agree to accept the surrender of any leasehold interest in any of its Material Land other than in the ordinary course of business of the relevant Chargor or on arm's length terms;
- (d) apply to the Land Registry to register the whole or any part of its Material Land as commonhold land or establish a commonhold association in respect of any of its Material Land; or
- (e) make a material change to the use of any of its Material Land.

10 Investments

- 10.1 Subject to Clause 10.3, until such time as the Chargee makes a demand under Clause 10.2, the Chargors will be entitled to receive all distributions in respect of the Chargors' Investments.
- 10.2 If the Chargee makes a written demand on the Chargor under Clause 23.17 of the Facility Agreement, the Chargee will be entitled to receive all distributions in respect of the Chargors' Investments for application in accordance with clause 8 (*Application of proceeds*).
- 10.3 During an Enforcement Time but prior to the Chargee making a demand pursuant to Clause 10.2, the Chargee shall hold such distributions subject to Security in favour of the Chargee.
- 10.4 During an Enforcement Time (and also once the Chargee Security is being enforced), but only upon written notice to the relevant Chargor, the Chargee will be entitled to exercise all voting and other Rights in respect of the Chargors' Investments. Otherwise, the Chargors will be entitled to exercise those Rights.
- 10.5 To the extent that the holder of those Investments is not the person entitled to receive those distributions and exercise those Rights, the holder will pay the distributions to the person entitled to them and will exercise those Rights in accordance with the reasonable requirements of the person entitled to exercise them.
- 10.6 Each Chargor will promptly pay all calls, instalments or other payments which from time to time become due in respect of any of its Investments, and the Chargee will not in any circumstances incur any liability in respect of them.

11 Key Contracts, Key Accounts and Debts

- 11.1 Each Chargor will comply with all of its obligations under each Key Contract, where failure to do so would or would be reasonably likely to have a Material Adverse Effect.
- 11.2 No Chargor will:
- (a) agree to alter the terms of, or terminate, any Key Contract or Key Account; or
 - (b) waive its rights under a Key Contract or Key Account,
- if any such alteration or waiver would materially affect the effectiveness of the security of the Chargee over the Key Contract or Key Account concerned.
- 11.3 No Chargor will make any withdrawal from any Key Account without the consent of the Chargee.
- 11.4 The Chargee will give its consent under clause 11.3 if the withdrawal is permitted under the Facility Agreement.

12 Intellectual Property

- 12.1 Each Chargor will promptly notify the Chargee of its acquisition of, or agreement to acquire, material Intellectual Property and any action taken to register the Intellectual Property.
- 12.2 Each Chargor will:
- (a) as soon as reasonably practicable, take all necessary action to safeguard and maintain its Rights in connection with all its material Intellectual Property, including obtaining all necessary registrations and paying all applicable renewal fees and licence fees;
 - (b) not allow any material Intellectual Property to be abandoned or cancelled or to lapse; and
 - (c) protect its material Intellectual Property against theft, loss, destruction, unauthorised access, copying or use by third parties and, immediately on becoming aware of any material infringement of, or challenge to, any of its material Intellectual Property, inform the Chargee and take any steps at the cost of the Chargor as the Chargee may from time to time reasonably specify in relation to the infringement or challenge.

13 Insurance

- 13.1 Subject to Clause 13.3, until such time as the Chargee makes a demand under Clause 13.2, the Chargors will be entitled to receive all payments in respect of any contract of insurance.
- 13.2 If the Chargee makes a written demand on the Chargor under Clause 23.17 of the Facility Agreement, all payments in respect of any contract of insurance will be paid to the Chargee for application in accordance with clause 8 (*Application of proceeds*).
- 13.3 During an Enforcement Time but prior to the Chargee making a demand pursuant to Clause 13.2, the Chargee shall hold such payments in respect of any contract of insurance subject to Security in favour of the Chargee.

14 General undertakings

- 14.1 Each Chargor will take all steps as are necessary to preserve the marketability of its Charged Assets.
- 14.2 Each Chargor will notify the Chargee as soon as it becomes aware of any action commenced by a third party to seize, attach, charge, take possession of or sell any Charged Asset which (to the best of its knowledge and belief) has been started or threatened.
- 14.3 Each Chargor will as soon as reasonably practicable provide to the Chargee:
- (a) such information about its Charged Assets;

(b) such information about the extent to which it has complied with its obligations under this Deed; and

(c) copies of such documents which create, evidence or relate to its Charged Assets,

as the Chargee may from time to time reasonably request.

14.4 If a Chargor does not comply with its obligations under this Deed, the Chargee may do so on that Chargor's behalf on such basis as the Chargee may reasonably decide. That Chargor will indemnify the Chargee on demand against the amount certified by the Chargee to be the cost, loss or liability suffered by it as a result of doing so.

Amendments to the First Debenture and the Second Debenture

15 Amendments to the First Debenture

The parties to the Deed agree that, from the date of this Deed, the First Debenture shall be amended such that:

- 15.1 the reference in clause 20.3 of the First Debenture to "clause 27.2(a) of the Facility Agreement" shall be deleted and replaced with "clause 28.2(a) of the Facility Agreement"; and
- 15.2 the reference in clause 21 of the First Debenture to "Clause 30 (*Notices*) of the Facility Agreement" shall be deleted and replaced with "Clause 31 (*Notices*) of the Facility Agreement".

16 Amendments to the Second Debenture

- 16.1 The parties to the Deed agree that, from the date of this Deed, the Second Debenture shall be amended such that the reference in clause 21.3 of the Second Debenture to "clause 27.2(a) of the Facility Agreement" shall be deleted and replaced with "clause 28.2(a) of the Facility Agreement"; and
- 16.2 the reference in clause 22 of the Second Debenture to "Clause 30 (*Notices*) of the Facility Agreement" shall be deleted and replaced with "Clause 31 (*Notices*) of the Facility Agreement".

Miscellaneous

17 Duration of the security

- 17.1 The Obligations of each Chargor under the Finance Documents and the security created by the Chargee Security will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.
- 17.2 If any discharge, release or arrangement (whether in respect of the Secured Obligations or any security for them or otherwise) is made by the Chargee in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 17.3 Section 93 of the Law of Property Act 1925 will not apply to the Chargee Security.

18 Expenses, liability and indemnity

- 18.1 Each Chargor will, on demand, pay all legal and other costs and expenses (including any stamp duty, registration or other similar taxes) incurred by the Chargee or by any Receiver in connection with the Chargee Security. This includes any costs and expenses relating to the enforcement or preservation of the Chargee Security or the Charged Assets and to any amendment, waiver, consent or release required in connection with the Chargee Security.
- 18.2 Neither the Chargee nor a Receiver nor any of their Officers will be in any way liable or responsible to any Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets or the Chargee Security, except to the extent caused by its own negligence or wilful misconduct.
- 18.3 Each Chargor will, on demand, indemnify each of the Chargee, a Receiver and their Officers in respect of all reasonable costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:
- (a) anything done or omitted in the exercise of, and in accordance with, the powers conferred on it under the Chargee Security, unless it was caused by its negligence or wilful misconduct;
 - (b) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Chargee Security had not been granted and which was not caused by its negligence or wilful misconduct; or

(c) any breach by that Chargor of the Finance Documents.

19 Payments

No payment by a Chargor (whether under a court order or otherwise) will discharge the Obligation of that Chargor unless and until the Chargee has received payment in full in the currency in which the Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the Obligation concerned, the Chargee will have a separate cause of action against the Chargor for the shortfall.

20 Remedies

The Rights created by this Deed are in addition to any other Rights of the Chargee against the Chargors or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.

21 Power of attorney

Each Chargor, by way of security, irrevocably appoints each of the Chargee and any Receiver severally to be its attorney to do anything:

- (a) which that Chargor is obliged to do under this Deed and has failed to do within five Business Days of written consent; or
- (b) at the Enforcement Time, which the attorney may require to exercise any of the Rights conferred on it by the Chargee Security Documents or by law.

22 Chargors

- 22.1 Each Chargor which executes this Deed will be bound by it even if other intended Chargors do not do so or are not effectively bound by it.
- 22.2 Nothing in this Deed shall secure liabilities which constitute unlawful financial assistance including as a result of a contravention by a Chargor of the prohibitions in Chapter 2 (Financial assistance for purchase of own shares) of Part 18 of the Companies Act 2006. The Chargors will use their best endeavours to ensure that the Security is granted in a lawful manner and to the extent that any liability cannot be the subject of the Chargee Security due to the effect of this clause, this will not affect the effectiveness of the Chargee Security in relation to liabilities in respect of which Security can be granted in a lawful manner.
- 22.3 If in accordance with clause 28.2(a) of the Facility Agreement, accession of any new Subsidiary of a Chargor which is a Material Company would constitute unlawful financial assistance, the Borrower will use its best endeavours to ensure that the Security is granted in a lawful manner.

23 Notices

- 23.1 Any notice or other communication to a party to this Deed must be served in accordance with Clause 31 (*Notices*) of Facility Agreement.

24 Law and jurisdiction

- 24.1 This Deed and any non-contractual obligations connected with it are governed by English law.
- 24.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- 24.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.
- 24.4 Clause 24.2 is for the benefit of the Chargee only. As a result, the Chargee will 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 Deed has been executed as a deed, and it has been delivered on the date stated at the beginning of this Deed.

Schedule 1
The Original Chargers

	Name	Registered Number
1.	Next Fifteen Communications Group PLC	01579589
2.	Bite Communications Limited	03023521
3.	The Lexis Agency Limited	04404752
4.	Text 100 Limited	03329933
5.	BYND Limited (formerly known as Beyond Corporation Limited)	07123452
6.	Agent3 Limited	08331678
7.	Next Fifteen Communications Limited	03938880
8.	Bite Communications Group Limited	04131879
9.	August.One Communications International Limited	03224261
10.	Publitek Limited	05287915
11.	MIG Global Limited (formerly known as Morar Consulting Limited)	SC281352
12.	Velocity Partners Limited	04128107

Schedule 2

Land

Part A

Registered Land

[Name of Chargor]

**County / District / London
Borough**

Address / Description

Title Number

None at date of this Deed

Part B

Unregistered Land

[Name of Chargor]

- (a) The freehold/leasehold property known as • and comprised in the following title deed(s) or other document(s) of title:

Date

Document / Parties

Address / Description

None at date of this Deed

- (b) The freehold/leasehold property known as • and comprised in the following title deed(s) or other document(s) of title:

Date

Document / Parties

Address / Description

None at date of this Deed

Schedule 3
Investments

None at date of this Deed.

Schedule 4
Notice and acknowledgement of charge

Part A - Key Contracts

To: [Counterparty]

Date: •

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a debenture dated • entered into by us (and others) in favour of HSBC Bank PLC (the Chargee), we have charged to the Chargee by way of fixed charge all of our rights in *[insert details of agreement concerned]* (the **Agreement**).
- 2 We will continue to be liable for our obligations under the Agreement. The Chargee has no obligations under it.
- 3 We have agreed with the Chargee not to terminate or amend the Agreement or to waive any of its terms without the consent of the Chargee.
- 4 We instruct you to:
 - (a) make all payments due to us under the Agreement to the Chargee *[insert an account number if required]* (whose receipt will be a good discharge to you for such payment); and
 - (b) disclose to the Chargee, without further approval from us, such information regarding the Agreement as the Chargee may from time to time request and to send it copies of all notices issued by you under the Agreement.
- 5 This instruction cannot be varied or terminated without the consent of the Chargee.
- 6 Please sign the enclosed acknowledgement and return it to the Chargee at 60 Queen Victoria Street, London, EC4N 4TR marked for the attention of Mark Hutchings.

.....
for and on behalf of

[Chargor]

Acknowledgement of Charge

To: [Chargee]

- 1 We acknowledge receipt of the notice [described above]:
- 2 We have not received notice that any other person has an interest in the Agreement.
- 3 We will comply with the instructions in the notice.
- 4 We agree that no amendment or termination of the Agreement, nor any waiver of its terms, will be effective unless it is approved by the Chargee.
- 5 We will not exercise any right of set-off against payments owing by us under the Agreement unless they arise out of the Agreement itself.

Executed as a)
deed by)
[Counterparty]) Director
acting by:)

Director/Secretary

Date: •

Part B - Key Accounts

To: [Account Bank]

Date: ●

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a debenture dated ● entered into by us (and others) in favour of ● (the Chargee), we have charged to the Chargee by way of fixed charge all of our rights in our ● account with you (no. ●) (the **Account**).
- 2 We have agreed with the Chargee not to close the Account or to amend or waive any of its terms without the consent of the Chargee.
- 3 We instruct you:
 - (a) to honour withdrawals from the Account if requested by the Chargee;
 - (b) not to honour any withdrawals from the Account if requested by us, unless our instructions are countersigned by the Chargee; and
 - (c) disclose to the Chargee, without further approval from us, such information regarding the Account as the Chargee may from time to time request and to send it copies of all statements and other notices issued by you in connection with the Account.
- 4 These instructions cannot be varied or terminated without the consent of the Chargee.
- 5 Please sign the enclosed acknowledgement and return it to the Chargee at 60 Queen Victoria Street, London, EC4N 4TR marked for the attention of Mark Hutchings.

.....

for and on behalf of

[Chargor]

Acknowledgement of Charge

To: [Chargee]

- 1 We acknowledge receipt of the notice [described above].
- 2 We have not received notice that any other person has an interest in the Account.
- 3 We will comply with the instructions in the notice.
- 4 We will not, without the Chargee's consent, permit any amount to be withdrawn from the Account.
- 5 We will not, without the Chargee's consent, exercise any right of combination, consolidation or set-off which we may have in respect of the Account.

Executed as a)

deed by)

[Account Bank] Authorised signatory

acting by:)

Authorised signatory

Date: ●

SIGNATORIES

The Chargors

Executed as a deed by

NEXT FIFTEEN COMMUNICATIONS GROUP PLC

acting by:

..... 
Director

in the presence of:



Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

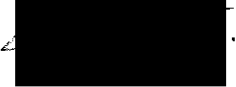
Executed as a deed by

BITE COMMUNICATIONS LIMITED

acting by:

..... 
Director

in the presence of:



Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

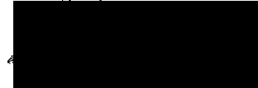
Executed as a deed by

THE LEXIS AGENCY LIMITED

acting by:

..... 
Director

in the presence of:



Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

TEXT 100 LIMITED

acting by:

.....
Director

in the presence of:

[Redacted]

Name of witness: **RICHARD TOMSETT**

Address: **Next Fifteen Communications Group plc**
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

BYND LIMITED

acting by:

.....
Director

in the presence of:

[Redacted]

Name of witness: **RICHARD TOMSETT**

Address: **Next Fifteen Communications Group plc**
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

AGENT3 LIMITED

acting by:

.....
Director

in the presence of:

[Redacted]

Name of witness: **RICHARD TOMSETT**

Address: **Next Fifteen Communications Group plc**
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

NEXT FIFTEEN COMMUNICATIONS LIMITED

acting by:

.....
Director

in the presence of:

Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

BITE COMMUNICATIONS GROUP LIMITED

acting by:

.....
Director

in the presence of:

Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

AUGUST.ONE COMMUNICATIONS INTERNATIONAL LIMITED

.....
Director

in the presence of:

Name of witness: **RICHARD TOMSETT**

Address: Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

PUBLITEK LIMITED

acting by:

.....
Director

in the presence of:

[REDACTED]

Name of witness: **RICHARD TOMSETT**

Address:

Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

MIG GLOBAL LIMITED

acting by:.....

.....
Director

in the presence of:

[REDACTED]

Name of witness: **RICHARD TOMSETT**

Address:

Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

Executed as a deed by

VELOCITY PARTNERS LIMITED

acting by:.....

.....
Director

in the presence of:

[REDACTED]

Name of witness: **RICHARD TOMSETT**

Address:

Next Fifteen Communications Group plc
75 Bermondsey Street
London
SE1 3XF

The Chargee

HSBC BANK PLC

by: MICHAEL HODGKIN

in the presence of:

...

Name of witness: JIM MESSER
6th Floor

Address: 71 QUEEN VICTORIA STREET
LONDON
EC4V 4AY

Authorised signatory