



Registration of a Charge

Company name: **Esporta Financial Services Limited**

Company number: **04555302**



X6AEXPI1

Received for Electronic Filing: **11/07/2017**

Details of Charge

Date of creation: **30/06/2017**

Charge code: **0455 5302 0007**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (AS SECURITY TRUSTEE)**

Brief description: **ALL PRESENT AND FUTURE ESTATES OR INTERESTS IN ANY FREEHOLD, COMMONHOLD OR LEASEHOLD PROPERTY AND ALL PRESENT AND FUTURE INTELLECTUAL PROPERTY OWNED BY THE COMPANY (SUBJECT TO THE SATISFACTION OF ANY EXCLUSION), IN EACH CASE AS SPECIFIED (AND DEFINED) IN THE DEBENTURE REGISTERED BY THIS FORM MR01 (THE "DEBENTURE"). FOR MORE DETAILS PLEASE REFER TO THE DEBENTURE.**

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 COMPOSITE ORIGINAL SEEN BY ME.**

Certified by: **OLIVER SHAFE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4555302

Charge code: 0455 5302 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th June 2017 and created by Esporta Financial Services Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th July 2017 .

Given at Companies House, Cardiff on 13th July 2017

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

30 June 2017

**VIRGIN ACTIVE INVESTMENT HOLDINGS LIMITED (AND
OTHERS)**
(as Chargors)

- and -

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
(as Security Trustee)

DEBENTURE

**THIS DEED IS ENTERED INTO WITH THE BENEFIT OF (AND SUBJECT TO THE TERMS
OF) THE INTERCREDITOR AGREEMENT (AS DEFINED HEREIN)**

Save for material redacted pursuant to s859G of the
Companies Act 2006, I certify that this is a true and
complete copy of the composite original seen by me


Name: Oliver Shafe

Title: Solicitor

Date: 4 July 2017



Matter ref: 1R4537.001498
F3/HANDYAL/5680189

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

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THIS DEED is made on

30 June 2017

BETWEEN:

- (1) **The Companies** whose respective names and company numbers appear in Schedule 1 (*The Chargors*) (collectively the "**Chargors**" and each a "**Chargor**"); and
- (2) **HSBC Corporate Trustee Company (UK) Limited** as security trustee for the Finance Parties (as defined in the Facilities Agreement) (the "**Security Trustee**").

WHEREAS:

- (A) Each Chargor enters into this Deed in connection with a facilities agreement dated on or about the date of this Deed and made between (i) Virgin Active Investment Holdings Limited (the "**Parent**"), (ii) Virgin Active Holdings Limited (the "**Company**"), (iii) the subsidiaries of the Parent listed in part I of schedule 1 as original borrowers and original guarantors, (iv) the financial institutions listed therein as Bookrunners and Mandated Lead Arrangers, (v) the financial institutions listed therein as Arrangers, (vi) the financial institutions listed in part II of schedule 1 as lenders, (vi) HSBC Bank plc as agent of the other Finance Parties and (vii) HSBC Corporate Trustee Company (UK) Limited as the Security Trustee (the "**Facilities Agreement**").
- (B) The Board of Directors of each Chargor is satisfied that the giving of the security contained or provided for in this Deed is in the interests of that Chargor and each Board has passed a resolution to that effect.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Facilities Agreement shall, unless otherwise defined in this Deed, have the same meanings when used in this Deed and, in addition, in this Deed:

"Charged Property" means all the assets of each Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed (including, for the avoidance of doubt, any assets subject to an Exclusion);

"Debt Proceeds" means any proceeds of any book debts and other debts or monetary claims (including any chose in action which may give rise to a monetary claim) owing to any Chargor (including, without limitation, any sums of money received by any Chargor from any of the assets charged under Clauses 3.2(g) and/or 3.2(h) (*Charges*));

"Declared Default" means an Event of Default which has occurred and is continuing and notice of such Event of Default and of the intention to enforce any security has been given by the Facility Agent pursuant to clause 28.22 (*Acceleration*) of the Facilities Agreement;

"Delegate" means any person appointed by the Security Trustee or any Receiver pursuant to Clauses 12.2 to 12.4 (*Delegation*) and any person appointed as attorney of the Security Trustee and/or any Receiver or Delegate;

"Excluded Real Property" means:

- (i) each leasehold property listed in Part D of Schedule 2 (*Registered Land requiring third party consent*); and
- (ii)
 - (A) any (X) future leasehold property acquired by a Chargor (which Chargor is listed in Part D of Schedule 2 (*Registered Land requiring third party consent*)) or (Y) any present or future leasehold property owned by an entity where such entity is acquired by a Chargor pursuant to a Permitted Acquisition and such entity becomes a Chargor, in each case, in respect of which prior consent of the landlord is required to create Security over such leasehold property; and
 - (B) in respect of which, the relevant Chargor has provided a written notice to the Security Trustee confirming such property as being an "Excluded Real Property" (for the purposes of this Deed) for the reasons set out in paragraph (A) above.

"Excluded Shares" means all shares owned by (i) Esporta Health & Fitness Limited (except for the shares of Esporta Health Clubs Limited) and (ii) Esporta Tennis Clubs Limited (except for the shares of Esporta Financial Services Limited) and all shares in a Group company incorporated outside of England and Wales to the extent that such shares are or will become, in accordance with the terms of the Finance Documents, subject to the Transaction Security under the laws of the jurisdiction of incorporation of that company;

"Exclusion" means (i) a legal, valid and binding restriction in respect of any asset held by any Chargor which either precludes absolutely the creation of Security over that asset or requires the prior consent of any third party to the creation of Security over that asset or (ii) in respect of any leasehold property, a requirement to give the landlord notice of the intention to create a charge over such leasehold property prior to the creation of Security over that asset;

"Expenses" means all costs (including legal fees), charges, expenses and damages sustained or incurred by the Security Trustee or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of any Chargor under the terms of this Deed) or by law in each case on a full indemnity basis;

"Finance Document" means the Facilities Agreement, any Accession Deed, any Ancillary Document, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Intercreditor Agreement, an Additional Facility Notice, an Additional Facility Accession Undertaking, any Selection Notice, any Transaction Security Document, any Utilisation Request and any other document designated as a "Finance Document" by the Agent and the Parent and/or the Company;

"Finance Party" means the Agent, the Arranger, the Security Trustee, a Lender, an Issuing Bank, a Hedge Counterparty, an Ancillary Lender and any Receiver or Delegate.

"Insurances" means the contracts and policies of insurance or assurance (including, without limitation, life policies and the proceeds of them) from time to time taken out by or for the benefit of any Chargor or in which any Chargor from time to time has an interest,

together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy;

"Intellectual Property" means:

- (a) any patents, utility models, trade marks, service marks, designs, business names, copyrights, database rights, design rights, registered designs, domain names, moral rights, inventions, confidential information, trade secrets, knowhow and all other intellectual property rights throughout the world and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications (and all goodwill associated with such applications) and rights to use such assets of each member of the Group, including all rights under any agreements relating to the use or exploitation of any such rights, which may now or in the future subsist.

"Liability Period" means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

"LPA" means the Law of Property Act 1925;

"Mortgaged Property" means any freehold, commonhold or leasehold property the subject of the security constituted by this Deed and references to any "Mortgaged Property" shall include references to the whole or any part or parts of it;

"Planning Acts" means all legislation from time to time regulating the development, use, safety and control of property including, without limitation, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004 and any other instrument, plan, regulation, permission or direction made or issued under any such legislation;

"Premises" means all buildings and erections from time to time situated on or forming part of any Mortgaged Property;

"Receiver" means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed;

"Related Rights" means, in relation to the Securities, all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise;

"Satisfied" means, in relation to an Exclusion (i) the legal, valid and binding satisfaction or removal of that Exclusion as a result of the granting of consent by, or the agreement of, all relevant third parties; or (ii) in respect of any leasehold property, the giving of any notice required and the expiration of any required notice period under the terms of the relevant lease, save where the relevant landlord's consent is required;

"Secured Liabilities" means all present and future indebtedness, moneys, obligations and liabilities of each Obligor to the Finance Parties under the Finance Documents

(including this Deed), in whatever currency denominated, whether actual or contingent and whether owed jointly or severally or as principal or as surety or in some other capacity, including any liability in respect of any further advances or variations made under the Finance Documents, together with all Expenses and all interest under Clause 2.2 (*Interest*);

"Securities" means, except for the Excluded Shares, all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of any Chargor, including, without limitation, any of the same specified in Schedule 3 (*Securities*), together with all property and rights of any Chargor in respect of any account held by or for that Chargor as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere; and

"Specified Contracts" means each of the contracts specified in Schedule 4 (*Specified Contracts*);

1.2 Construction

Any reference in this Deed to:

- (a) the **"Security Trustee"**, any **"Chargor"**, any **"Finance Party"**, the **"Borrower"**, any **"Obligor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, shall include any person for the time being appointed as additional security trustee pursuant to the Intercreditor Agreement;
- (b) **"assets"** includes present and future properties, revenues and rights of every description;
- (c) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (d) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (e) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having force of law being a regulation which people subject thereto are accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
- (f) a provision of law is a reference to that provision as amended or re-enacted.

1.3 A reference in this Deed to any Clause or Schedule shall, unless otherwise stated, be to a clause or schedule contained in this Deed.

1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:

- (a) the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset;
 - (b) the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset; and
 - (c) in respect of any Mortgaged Property, all Premises and all fixtures and fittings (including trade fixtures and fittings and tenants' fixtures and fittings) from time to time in or on that Mortgaged Property.
- 1.5 Each term in any Finance Document is, to the extent not set out in or otherwise incorporated into this Deed, deemed to be incorporated into this Deed insofar as is necessary to comply with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989 but, except where stated otherwise, if there is any conflict between that incorporated term and any other term of this Deed that other term shall prevail.
- 1.6 Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned, whether or not as a result of any of the same:
- (a) there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
 - (b) any additional, further or substituted facility to or for such facility is provided;
 - (c) any rate of interest, commission or fees or relevant purpose is changed;
 - (d) the identity of the parties is changed;
 - (e) the identity of the providers of any security is changed;
 - (f) there is an increased or additional liability on the part of any person; or
 - (g) a new agreement is effectively created or deemed to be created.
- 1.7 Any reference in this Deed to this "**Deed**" shall be deemed to be a reference to this Deed as a whole and not limited to the particular Clause, Schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended, substituted or restated from time to time.
- 1.8 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.9 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.10 It is intended that this document shall take effect as and be a deed of each Chargor notwithstanding the fact that a party may only execute this document underhand and the Security Trustee may not execute this document as a deed.

1.11 Any change in the constitution of the Security Trustee or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.

1.12 In determining whether or not the Secured Liabilities remain outstanding and/or have been discharged or paid in full, each party shall act reasonably and shall disregard any contingent liabilities (such as the risk of clawback flowing from a preference) except to the extent that such party believes that there is a reasonable likelihood that those contingent liabilities will become actual liabilities.

1.13 **Third Party Rights**

Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

2. **COVENANT TO PAY**

2.1 **Covenant to Pay**

Each Chargor (as primary obligor and not merely as surety) covenants with the Security Trustee as security trustee for the Finance Parties that it shall pay, perform and discharge its Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with the terms of the Finance Documents or, in the absence of any such express terms, on the Security Trustee's written demand provided that such covenant nor the security constituted by this Deed shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

2.2 **Interest**

Each Chargor covenants with the Security Trustee that if it fails to pay any amount payable by it under this Deed on the due date for payment of that amount, that Chargor shall pay interest on any amounts due under Clause 2.1 (*Covenant to Pay*) from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of that Chargor but only to the extent that (a) interest is not accruing on that amount under the Facilities Agreement and (b) interest at a default rate is not otherwise being paid on that amount) at the rate and in the manner specified in clause 14.3 (*Default interest*) of the Facilities Agreement, provided that, in the case of any Expense, such interest shall accrue and be payable as from the date on which the relevant Expense arose without the necessity for any demand being made for payment.

3. **FIXED SECURITY**

3.1 **Charges**

Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Trustee (as security trustee for the Finance Parties) by way of a first legal mortgage over all of that Chargor's right, title and interest in and to the freehold, commonhold and leasehold property now vested in it and (if any) specified in Schedule 2 (*Real Property*) (subject to obtaining any necessary consent to such mortgage or fixed charge (as the case may be) from any third party in accordance with the Agreed Security Principals).

3.2 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Trustee (as security trustee for the Finance Parties) by way of first fixed charge (subject to obtaining any necessary consent to such mortgage or fixed charge (as the case may be) from any third party in accordance with the Agreed Security Principals) all of that Chargor's right, title and interest in and to the following assets, both present and future:

- (a) all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under Clause 3.1 (*Charges*) above)
- (b) all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
- (c) where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
- (d) all amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;
- (e) all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);
- (f) all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;
- (g) all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;
- (h) all moneys from time to time deposited in or standing to the credit of any bank account with the Security Trustee or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same));
- (i) all Securities;
- (j) all Related Rights (whether derived by way of redemption, bonus, preference, option, substitutions, conversions or otherwise);
- (k) all of its goodwill and uncalled capital;
- (l) all Intellectual Property;

- (m) all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable in respect of them;
- (n) each of the Specified Contracts, together with (if any):
 - (i) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
 - (ii) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
 - (iii) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
 - (iv) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with any of the Finance Parties or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

For the purposes of the sub-licenses that are listed as items 4 and 5 in Schedule 4 (Specified Contracts) Virgin Active Holdings Limited consents to the security granted pursuant to this Deed over such sub-licenses by Virgin Active Health Clubs Limited (formerly Holmes Place Health Clubs Limited) and Virgin Active Limited respectively.

3.3 Assignment

Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, assigns to the Security Trustee (as security trustee for the Finance Parties) absolutely by way of a first legal assignment all of that Chargor's right, title and interest in and to the Specified Contracts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Trustee (as security trustee for the Finance Parties) by way of a first floating charge all of that Chargor's undertaking and all its other property, assets and rights whatsoever, present and future, including all of its stock in trade and all of its property, assets and rights not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security pursuant to Clause 3 (*Fixed Security*).

4.2 Qualifying Floating Charge

The floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*) is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of schedule B1 to the Insolvency Act 1986.

The provisions of paragraph 14 of schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*).

4.3 Conversion by Notice

The Security Trustee may by notice in writing at any time to any Chargor convert the floating charge created by pursuant to Clause 4.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge (either generally or specifically as regards any assets of that Chargor specified in the notice):

- (a) on the occurrence of a Declared Default; or
- (b) if the Security Trustee reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process or in order to protect or preserve the priority of that security (provided that such conversion is only in respect of the relevant Charged Property).

4.4 Automatic Conversion

Notwithstanding Clause 4.3 (*Conversion by Notice*) and without prejudice to any law which may have a similar effect, each floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to that floating charge if:

- (a) any Chargor creates or attempts to create any Security over any of the Charged Property (except as expressly permitted under the Facilities Agreement) provided that such conversion is only in respect of the relevant Charged Property;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property provided that such conversion is only in respect of the relevant Charged Property; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed in respect of any Chargor provided that such conversion is only in respect of the relevant Charged Property.

- 4.5 The floating charge should not be converted solely by reason of (i) obtaining a moratorium; or (ii) anything done with a view to obtaining a moratorium under section 1A of the Insolvency Act.

5. PERFECTION OF SECURITY

5.1 Registration at HM Land Registry

For the purposes of panel 8 of each Form RX1 that may be required to be completed by the Security Trustee in relation to any Mortgaged Property specified in Schedule 2 (*Real Property*) registered or required to be registered at HM Land Registry, each Chargor hereby consents to an application being made by the Security Trustee to the Chief Land

Registrar to enter the following restriction in Form P against that Chargor's title to such Mortgaged Property:

"No disposition of the registered estate by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of *[insert full name of Security Trustee]* referred to in the charges register [or its conveyancer *[or specify appropriate details]*"]".

5.2 If the title to any Mortgaged Property of any Chargor is not registered at HM Land Registry, that Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Security Trustee.

5.3 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against any Chargor's title to any Mortgaged Property, that Chargor shall promptly provide the Security Trustee with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, that Chargor shall immediately and at its own expense take such steps as the Security Trustee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5.4 Further Advances

Subject to the provisions of the Facilities Agreement, where a Lender is under an obligation to make further advances to the Borrowers under the Facilities Agreement and that obligation will be deemed to be incorporated into this Deed as if set out in this Deed.

5.5 Acquisition of New Land

Subject to Clauses 6.3 to 6.5 (inclusive), in relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of any Chargor after the date of this Deed:

(a) if the title to any such property is registered at HM Land Registry, that Chargor at the request of the Security Trustee shall immediately apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Security Trustee to the Chief Land Registrar for the registration of an agreed notice in Form AN1 to protect this Deed against that Chargor's title to that property; and

(b) if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, that Chargor at the request of the Security Trustee shall immediately apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 13 of Form FR1;

and, in each such case, the relevant Chargor shall, immediately after registration of it as the proprietor of the relevant registered estate, provide the Security Trustee with an official copy of the register recording the same.

5.6 Notices of Charge and Assignment

Each Chargor shall give:

- (a) in respect of all Specified Contracts, promptly upon the occurrence of a Declared Default, a notice substantially in the form set out in Part A of Schedule 5 (*Form of Notice of Charge – Specified Contracts*) or such form as may be agreed by the Security Trustee, acting reasonably;
- (b) promptly upon the request of the Security Trustee from time to time, a notice substantially in the form set out in Part A of Schedule 6 (*Form of Notice of Charge – Accounts not with the Security Trustee*) or such form as may be agreed by the Security Trustee, acting reasonably to each bank or financial institution (other than the Security Trustee) in respect of each account of that Chargor opened or maintained with it provided that this is not inconsistent with that Chargor retaining control over the balance of the account and any obligation to seek an acknowledgement from such bank or financial institution (other than the Security Trustee) of the notification shall be limited to a request by that Chargor that such an acknowledgment be provided; and
- (c) each such notice shall be duly signed by or on behalf of the relevant Chargor and that Chargor shall, using reasonable endeavours, request that each of the persons on whom any such notice is served provides to the Security Trustee a duly signed acknowledgement of that notice substantially in the form set out in Part A of Schedule 5 (*Form of Notice of Charge – Specified Contracts*) or, as applicable, Part B of Schedule 6 (*Form of Notice of Charge – Accounts not with the Security Trustee*) or such form as may be agreed by the Security Trustee, acting reasonably.

5.7 Deposit of Documents of Title

Each Chargor shall hold all deeds, certificates and other documents of title from time to time relating to the Mortgaged Property charged pursuant to Clause 3.1 (*Charges*), above to the order of the Security Trustee and shall promptly deposit all such deeds, certificates and documents with the Security Trustee upon such request by the Security Trustee.

5.8 Deposit of Securities

Each Chargor shall, in respect of any Securities which are in certificated form, promptly:

- (a) deposit with the Security Trustee, or as it may direct, all stock and share certificates and other documents of title or evidence of ownership from time to time relating to such Securities; and
- (b) execute and deliver to the Security Trustee all share transfers and other documents as the Security Trustee may from time to time request (acting reasonably) in order to enable the Security Trustee (or its nominee(s)) to be registered as the owner or otherwise obtain a legal title to or to perfect its security interest in such Securities, to the extent that the Security Trustee may at any time without notice complete and present such transfers and documents for registration.

- 5.9 Each Chargor shall, in respect of any Securities which are in uncertificated form, promptly upon being requested to do so by the Security Trustee, give or procure the giving of, in accordance with and subject to the facilities and requirements of the relevant system, all instructions necessary to effect a transfer of title to such Securities into an account in the name of the Security Trustee (or its nominee(s)) and to cause the Operator to register on the relevant register of securities the transfer of such title.
- 5.10 For the purposes of Clauses 5.8 and 5.9 above, the expressions "**certificated**", "**instruction**", "**Operator**", "**relevant system**" and "**uncertificated**" shall have the meanings given to those terms in the Uncertificated Securities Regulations 2001.

6. FURTHER ASSURANCE

6.1 Further Assurance

Subject to the Agreed Security Principles, each Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee or any Receiver may reasonably specify (and in such form as the Security Trustee or any Receiver may reasonably require in favour of the Security Trustee or its nominee(s)) to:

- (a) perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by that Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
- (b) confer on the Security Trustee Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to this Deed;
- (c) facilitate the exercise of any rights, powers and remedies of the Security Trustee or any Receiver or Delegate provided by or pursuant to this Deed or by law;
- (d) facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property.

6.2 Necessary Action

Each Chargor shall subject to the Agreed Security Principles take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Deed.

Exclusion of Assets from Security

- 6.3 Each Chargor shall subject to the Agreed Security Principles use reasonable endeavours to procure that any Exclusions applying to any Charged Property are Satisfied as soon as practicable after the date of this deed. In relation to Exclusions falling under part (ii) of that definition, each relevant Chargor shall provide notice to the relevant landlord within five Business Days of the Closing Date.
- 6.4 Notwithstanding any provisions of this Deed, any Charged Property which is subject to an Exclusion shall not be charged, pledged or assigned by any Chargor pursuant to the provisions of Clause 3 (*Fixed Security*) of this Deed until the relevant Exclusions are Satisfied.

- 6.5 Immediately upon any Exclusion being Satisfied, the Charged Property concerned shall become the subject of an effective charge pursuant to, and in accordance with, Clause 3 (*Fixed Security*) and the relevant Chargor shall promptly deliver a copy of any relevant consent to the Security Trustee.
- 6.6 Save as such Excluded Shares are charged under any other Transaction Security Document, upon the occurrence of a Declared Default each Chargor shall promptly deliver such items and take such actions as are required under Clause 5.8 (*Deposit of Security*) in relation to any of the Excluded Shares as though the Excluded Shares were Securities.
- 6.7 For the avoidance of doubt but subject to Clause 6.8 below, the provisions of Clauses 6.3 to 6.6 above shall not apply to the floating charge created pursuant to Clause 4 (*Floating Charge*) of this Deed.
- 6.8 The Excluded Real Property shall not be charged, pledged or assigned by any Chargor pursuant to the provisions of Clause 4 (*Floating Charge*) of this Deed until the relevant Exclusions are Satisfied.
- 6.9 Immediately upon any Exclusion being Satisfied in respect of any Excluded Real Property, such property shall, unless subject to an effective charge pursuant to, and in accordance with, Clause 3 (*Fixed Security*), become the subject of an effective charge pursuant to, and in accordance with, Clause 4 (*Floating Charge*) and the relevant Chargor shall promptly deliver a copy of any relevant consent to the Security Trustee.

6.10 Implied Covenants for Title

Each of the mortgages, charges and assignments granted by each Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a), Section 3 and Section 4 of that Act shall extend to each Chargor without, in each case, the benefit of Section 6(2) of that Act.

7. UNDERTAKINGS

7.1 General

The undertakings in this Clause 7 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

7.2 Negative Pledge

No Chargor shall create or extend or permit to arise or subsist any Security over the whole or any part of the Charged Property, other than as permitted under the Facilities Agreement.

7.3 Restriction on Disposals

No Chargor shall 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 the whole or any part of the Charged Property, other than as permitted under the Facilities Agreement.

7.4 Access

Each Chargor shall permit the Security Trustee and any other person nominated by it access to enter upon and/or view the state and condition of the Charged Property (without, in any case, becoming liable to account as mortgagee in possession) at times as expressly permitted under the Facilities Agreement.

7.5 Voting Rights and Dividends relating to Securities

At any time before the security constituted by this Deed has become enforceable:

- (a) each Chargor shall be entitled to exercise all voting and other rights and powers in respect of the Securities or, if any of the same are exercisable by the Security Trustee (or its nominee(s)), to direct in writing the exercise of those voting and other rights and powers, provided that no Chargor shall exercise or direct the exercise of any voting or other rights and powers in any manner prohibited by the Facilities Agreement; and
- (b) each Chargor shall pay all dividends, interest and other moneys arising from the Securities in accordance with the Facilities Agreement.

7.6 The Security Trustee may, upon the occurrence of a Declared Default at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):

- (a) exercise (or refrain from exercising) all voting and other rights and powers in respect of the Securities;
- (b) apply all dividends, interest and other moneys arising from the Securities in accordance with Clause 15.1 (*Order of Application*) and, if any of the same are paid or payable to any Chargor, that Chargor shall hold all such dividends, interest and other moneys on trust for the Security Trustee (as security trustee for the Finance Parties) and pay the same immediately to the Security Trustee or as it may direct to be applied in accordance with Clause 15.1 (*Order of Application*);
- (c) if not already so transferred, transfer the Securities into the name of, or (as applicable) into an account in the name of, the Security Trustee (or its nominee(s)); and
- (d) in addition to any other power created under this Deed, exercise (or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities and, except as expressly provided for in the Deed, all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000, including, without limitation, the general power of investment set out in Section 3 of the Trustee Act 2000, provided that the duty of care set out in Section 1(1) of the Trustee Act 2000 shall not apply to the exercise of any other power of investment (however conferred) by the Security Trustee (or its nominee(s)) in respect of securities or property subject to a trust,

the proceeds of which shall form part of this Charged Property. Calls and Other Obligations in respect of Securities

7.7 Each Chargor shall pay all calls and other payments which may be or become due in respect of all or any part of the Securities and, if it fails to do so, the Security Trustee may, following a notice to that effect to the relevant Chargor elect (but shall not be obliged) to

make such payments on behalf of that Chargor. Any sums so paid by the Security Trustee shall be reimbursed by the relevant Chargor to the Security Trustee on demand and shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Security Trustee until reimbursed (after as well as before any judgment).

7.8 Each Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of all or any part of the Securities.

7.9 Neither the Security Trustee nor its nominee(s) shall be liable to make any payment in respect of any calls or other payments which may be or become due in respect of the Securities or be under any duty to make any enquiry into the nature or sufficiency of any payment received by it in respect of the Securities or to present or file or make any claim, take any action or do any other act or thing for the purpose of collecting and/or enforcing the payment of any amount to which it may be entitled in respect of the Securities.

7.10 Each Chargor shall copy to the Security Trustee and comply with all requests for information which is within its knowledge and which are made under Section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional documents relating to all or any part of the Securities and, if it fails to do so, the Security Trustee may elect (but shall not be obliged) to provide such information as it may have on behalf of (and at the expense of) that Chargor.

7.11 No Chargor shall, without the prior written consent of the Security Trustee, do or cause or permit to be done anything which shall require any company in which any of the Securities is held to treat any person who is not the registered holder of any of the Securities as entitled to enjoy or exercise any rights of a member in relation to the whole or any part of the Securities, except pursuant to the terms of this Deed.

7.12 Bank Accounts

Each Chargor shall prior to the occurrence of a Declared Default be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any account subject to the terms of the Facilities Agreement.

7.13 Upon the occurrence of a Declared Default, no Chargor shall be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on any account except with the prior written consent of the Security Trustee.

7.14 Remedying Mortgaged Property Defaults

Upon the occurrence of a Declared Default, the relevant Chargor shall permit the Security Trustee and its agents and contractors to:

- (a) enter on the Mortgaged Property;
- (b) comply with or object to any notice served on that Chargor in respect of the Mortgaged Property; and
- (c) take any action as the Security Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of any such covenant, undertaking, restriction, applicable law or regulations or to comply with or object to any such notice.

7.15 All moneys expended by the Security Trustee in taking any steps referred to in Clause 7.14 above shall be reimbursed by the relevant Chargor to the Security Trustee on

demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Security Trustee until reimbursed (after as well as before any judgment).

7.16 Notices relating to Charged Property

Each Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the whole or any part of the Charged Property where the steps referred to in such application requirement, order or notice, if implemented would have a material adverse effect on the Charged Property or the security constituted or intended to be constituted by this Deed:

- (a) deliver a copy to the Security Trustee;
- (b) inform the Security Trustee of the steps taken or proposed to be taken by it to comply with the relevant application, requirement, order or notice; and
- (c) comply with any reasonable request by the Security Trustee to take such action as the Security Trustee may believe necessary to preserve or protect the Charged Property or the security constituted or intended to be constituted by this Deed.

8. ENFORCEMENT OF SECURITY

8.1 When Security becomes Enforceable

At any time following the occurrence of a Declared Default the security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable and the Security Trustee may in its absolute discretion enforce all or any part of that security after it has provided written notice to the Chargors of its intention to enforce that security, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

8.2 Right of Appropriation

To the extent that any of the Charged Property constitutes "**financial collateral**" and this Deed and the obligations of any Chargor under this Deed constitute a "**security financial collateral arrangement**" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**FCA Regulations**")), then following the occurrence of a Declared Default, the Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such financial collateral shall be (in the case of cash) the amount standing to the credit of each bank account of the relevant Chargor, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and (in the case of Securities) the market price of such Securities determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation. In each case, the parties agree that the manner of valuation provided for in this Clause 8.2 shall constitute a commercially reasonable manner of valuation for the purposes of the FCA Regulations.

8.3 Redemption of Prior Mortgages

At any time after the occurrence of a Declared Default the Security Trustee or any Receiver may:

- (a) redeem any prior Security over any Charged Property; or
- (b) procure the transfer of that Security to the Security Trustee; or
- (c) settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the relevant Chargor).

8.4 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the relevant Chargor to the Security Trustee and every Receiver on demand and shall be secured by this Deed.

8.5 Effect of Moratorium

The Security Trustee shall not be entitled to exercise its rights under Clause 8.1 (*When Security becomes Enforceable*) or Clause 4 (*Floating Charge*) where the right arises as a result of a Declared Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to schedule A1 of the Insolvency Act 1986.

9. EXTENSION AND VARIATION OF THE LPA

9.1 General

For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.

9.2 Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.

9.3 The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee and any Receiver at any time after the occurrence of a Declared Default to make any lease or agreement for lease, accept surrenders of leases and/or grant options on such terms as it or he shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

9.4 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

10. APPOINTMENT OF RECEIVER AND ADMINISTRATOR

10.1 Appointment

After the occurrence of a Declared Default the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee) without prior notice to any Chargor:

- (a) appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA; or
- (b) appoint two or more Receivers in respect of separate parts of the Charged Property; or
- (c) appoint one or more persons to be an administrator of any one or more of the Chargors,

subject to the Security Trustee not being entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Section 1A of the Insolvency Act, except with the leave of the Court.

10.2 **Removal**

The Security Trustee may by writing under its hand (or by an application to the court where required by law):

- (a) remove (so far as it is lawfully able) any Receiver appointed by it; and
- (b) appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

10.3 **Statutory Powers of Appointment**

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

10.4 **Capacity of Receiver**

Each Receiver shall be deemed to be the agent of the relevant Chargor for all purposes. Each Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.

- 10.5 The agency of each Receiver shall continue until the relevant Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.

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

10.7 **Remuneration of Receiver**

The Security Trustee may fix the remuneration of any Receiver appointed by it without any restriction imposed by Section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed.

11. POWERS OF RECEIVER

11.1 General

Each Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of the Chargor) has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred by law.

11.2 Without prejudice to the generality of this Clause 11, each Receiver shall have all the rights, powers and discretions of an administrative receiver under schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

11.3 Specific Powers

Each Receiver shall have the following powers (and every reference in this Clause 11.3 to the "**Charged Property**" shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):

- (a) power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;
- (b) power to take immediate possession of, get in and collect any Charged Property;
- (c) power to carry on the business of any Chargor as he thinks fit;
- (d) power (but without any obligation to do so) to:
 - (i) make and effect all repairs, alterations, additions and insurances and do all other acts which any Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
 - (ii) commence or complete any building operations on the Charged Property;
 - (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence in respect of the Charged Property; and
 - (iv) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the Charged Property and represent any Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition, in each case as he thinks fit;
- (e) power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by any Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the relevant Chargor on demand and until so reimbursed shall carry interest at the rate specified in Clause

2.2 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));

- (f) power to raise and borrow money either unsecured or (with the prior consent of the Security Trustee) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- (g) power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- (h) power to sever and sell separately any fixtures from the property containing them without the consent of any Chargor;
- (i) power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);
- (j) power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Charged Property;
- (k) power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to any Chargor which may seem to him to be expedient;
- (l) power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- (m) power to form a subsidiary of any Chargor and transfer to that subsidiary any Charged Property;
- (n) power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- (o) power to call any meeting of the members or directors of any Chargor in order to consider such resolutions or other business as he thinks fit;
- (p) power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;
- (q) power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

- (r) power to exercise any of the above powers in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of that Chargor.

11.4 Security Trustee's Powers

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after a Declared Default be exercised by the Security Trustee in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12. DISCRETIONS AND DELEGATION

12.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may, subject to the terms and conditions of the Intercreditor Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

12.2 Delegation

Each of the Security Trustee and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).

- 12.3 Any such delegation may be made upon such terms and conditions (including the power to sub- delegate) as the Security Trustee or any Receiver (as the case may be) shall think fit.

- 12.4 Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. POWER OF ATTORNEY

13.1 Appointment and Powers

Each Chargor, by way of security, irrevocably appoints the Security Trustee, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed after the occurrence of a Declared Default to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on any Chargor by this Deed; and/or
- (b) enabling the Security Trustee or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including, after the occurrence of a Declared Default, the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

13.2 Ratification

Each Chargor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under Clause 13.1 (*Appointment and Powers*).

14. PROTECTION OF PURCHASERS

14.1 Consideration

The receipt of the Security Trustee or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property (including a disposal by a Receiver or Delegate to any subsidiary of any Chargor) or in making any acquisition in the exercise of their respective powers, the Security Trustee, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

14.2 Protection of Third Parties

No person (including a purchaser) dealing with the Security Trustee, any Receiver or any Delegate shall be bound to enquire:

- (a) whether the Secured Liabilities have become payable; or
- (b) whether any power which the Security Trustee or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Trustee or to any Receiver or Delegate is to be applied,

or shall be concerned with any propriety, regularity or purpose on the part of the Security Trustee or any Receiver or Delegate in such dealings or in the exercise of any such power.

15. APPLICATION OF PROCEEDS

15.1 Order of Application

All moneys received or recovered by the Security Trustee, any Receiver or any Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied pursuant to clause 13 (*Application of proceeds*) of the Intercreditor Agreement.

15.2 New Accounts

If the Security Trustee (acting in its capacity as trustee for the Finance Parties or otherwise) or any other Finance Party at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Security Trustee and/or any other relevant Finance Party may open a new account with any Chargor.

- 15.3** If the Security Trustee and/or any other Finance Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on

behalf of the relevant Chargor to the Security Trustee (whether in its capacity as trustee for the Finance Parties or otherwise) and/or any other Finance Party shall be credited or be treated as having been credited to the new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

15.4 Currency Conversion

For the purpose of or pending the discharge of any of the Secured Liabilities following the occurrence of a Declared Default, the Security Trustee and each other Finance Party may (acting reasonably) convert any moneys received or recovered by it or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by it or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Agent's (or that Finance Party's) spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Security Trustee or that Finance Party. Nothing in this Deed shall require the Security Trustee to make, or shall impose any duty of care on the Security Trustee or any other Finance Party in respect of, any such currency conversion.

16. NO LIABILITY AS MORTGAGEE IN POSSESSION

Neither the Security Trustee nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to any Chargor for anything, except actual receipts, or be liable to any Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Security Trustee, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Security Trustee or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property or the Finance Documents, except in the case of gross negligence or wilful misconduct on its part.

17. SET-OFF

The Security Trustee and each other Finance Party may (but shall not be obliged to), after the occurrence of a Declared Default, set off any matured obligation due from any Chargor under this Deed (to the extent beneficially owned by the Security Trustee or, as the case may be, that Finance Party) against any obligation (whether matured or not) owed by the Security Trustee or, as the case may be, that Finance Party to that Chargor, regardless of the place of payment, booking branch or currency of either obligation.

18. DECLARATION OF TRUST

18.1 The Security Trustee holds the benefit of this Deed on trust for itself and the other Finance Parties on the terms of the Finance Documents.

18.2 All moneys, property and other assets received by the Security Trustee or any Receiver or Delegate shall be held by it or him upon trust for the Security Trustee and the other Finance Parties according to their respective interests to apply the same in the order specified in Clause 15.1 (*Order of Application*).

19. EFFECTIVENESS OF SECURITY

19.1 Continuing Security

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Security Trustee, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

19.2 Cumulative Rights

The security constituted by this Deed and all rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Security Trustee or any other Finance Party for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Finance Parties over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

19.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of an Obligor or any Security for those obligations or otherwise) is made by the Security Trustee or any other Finance Party 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, the security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

19.4 The Security Trustee may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

19.5 No Security held by Chargors

No Chargor shall take or receive any Security from an Obligor or another Chargor or any other person in connection with its liability under this Deed. However, if any such Security is so taken or received by any Chargor:

- (a) it shall be held by that Chargor on trust for the Security Trustee (as trustee for the Finance Parties), together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and
- (b) on demand by the Security Trustee, the relevant Chargor shall promptly transfer, assign or pay to the Security Trustee all Security and all moneys from time to time held on trust by it under this Clause 19.5.

20. PAYMENTS

20.1 Manner of Payments

Each Chargor shall make all payments required to be made by it under this Deed available to the Security Trustee (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Security Trustee as

being customary at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Security Trustee specifies.

20.2 No Set-off by Chargors

All payments to be made by any Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

21. EXPENSES, STAMP TAXES AND INDEMNITIES

21.1 Expenses

The provisions of clause 22.1 (*Transaction expenses*) of the Facilities Agreement shall apply to this Deed mutatis mutandis.

21.2 Each Chargor shall promptly on demand pay to the Security Trustee and each Receiver or Delegate the amount of all costs and expenses (including legal fees subject to any agreed limitation) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed and in responding to, evaluating, negotiating or complying with any request for an amendment, waiver or consent made by that Chargor in relation to this Deed.

21.3 Each Chargor shall, within three business days of demand, pay to the Security Trustee and each Receiver or Delegate the amount of all costs and expenses (including legal fees subject to any agreed limitation) incurred by any of them in connection with the enforcement of, or the defence, protection and/or preservation of, any rights, remedies and powers under this Deed or the security constituted, or intended to be constituted, by this Deed and any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the security constituted, or intended to be constituted, by this Deed or enforcing any such rights, powers and remedies.

21.4 Stamp Taxes

Each Chargor shall pay, and shall promptly on demand indemnify, the Security Trustee and every Receiver or Delegate against any cost, loss or liability any of them incurs in relation to, all stamp duty, registration and similar Taxes payable in connection with the entry into, performance or enforcement, of this Deed, the security constituted by this Deed or any judgment given in connection with this Deed.

21.5 General Indemnity

Each Chargor shall, notwithstanding the release or discharge of all or any part of the security constituted by this Deed, promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss, liability or damage incurred by any of them as a result of:

- (a) any default or delay by that Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed (including, without limitation, any arising from any actual or alleged breach by any person of any Environmental Law or Environmental Permits);

- (b) the taking, holding, protection or enforcement of the security constituted by this Deed; and
- (c) the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee and each Receiver and Delegate by this Deed or by law in respect of the Charged Property,

save to the extent that the same arises from the Security Trustee's or such Receiver's or Delegate's gross negligence or wilful default.

- 21.6 There shall be no double recovery under this Clause 21 and any clause of the Facilities Agreement and/or any other Finance Document (as defined in the Facilities Agreement).

21.7 Value Added Tax

Any cost or expense referred to in this Clause 21 is exclusive of any VAT that might be chargeable in connection with that cost or expense. If any VAT is so chargeable, it shall be paid by the relevant Chargor at the same time as it pays the relevant cost or expense.

22. CERTIFICATES AND DETERMINATIONS

Any certificate or determination by the Security Trustee of a rate or amount under this Deed is *prima facie* evidence of the matters to which it relates.

23. PARTIAL INVALIDITY

If, at any time, any provision of this Deed 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 of this Deed 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 constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

24. REMEDIES AND WAIVERS

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

- 24.2 Any amendment, waiver or consent by the Security Trustee under this Deed must be in writing and may be given subject to any conditions thought fit by the Security Trustee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

25. COUNTERPARTS

This Deed may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

26. **ASSIGNMENT**

The Security Trustee may assign, charge or transfer all or any of its rights under this Deed without the consent of any Chargor. The Security Trustee may disclose any information about any Chargor and this Deed as the Security Trustee shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

27. **RELEASES**

Upon the expiry of the Liability Period (but not otherwise) and without prejudice to Clauses 19.3 and 19.4 (*Reinstatement*), the Security Trustee shall, at the request and cost of the relevant Chargor, take whatever action is necessary to release the Charged Property of that Chargor from the security constituted by this Deed.

28. **GOVERNING LAW**

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

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

SCHEDULE 1

The Chargors

Name	Company Number	Registered Office	Address for Notices	Email	FAO:
Virgin Active Investment Holdings Limited	06366192	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Virgin Active Holdings Limited	03613370	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Virgin Active Limited	03448441	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Virgin Active Health Clubs Limited	01395346	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Racquets & Non Racquets Holdings Limited	06894052	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Racquets Limited	06754656	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Non Racquets	06894062	100 Aldersgate Street, London	100 Aldersgate Street, London	matthew.bucknall@virginactive.com	The Company Secretary

Name	Company Number	Registered Office	Address for Notices	Email	FAO:
Limited		EC1A 4LX	London EC1A 4LX	inactive.com	Secretary
Esporta Health & Fitness Limited	02999311	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Management Services Limited	06729212	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Tennis Clubs Limited	03765731	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Financial Services Limited	04555302	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary
Esporta Health Clubs Limited	04681235	100 Aldersgate Street, London EC1A 4LX	100 Aldersgate Street, London EC1A 4LX	matthew.bucknall@virginactive.com	The Company Secretary

SCHEDULE 2

Real Property

Part A – Registered Land

Virgin Active Limited

No.	Description of Property	Title Number(s)
1	Virgin Active, New Writtle Street, Chelmsford CM2 0RR (Chelmsford Club)	EX651881
2	Part of the basement and ground floors and being part of the basement and ground floors and being the Virgin Active Health Club, 323 – 345 Goswell Road, London (Islington Angel Club)	NGL808211
3	Centaur House, 91 Great George Street, Leeds LS1 3BR (Leeds City Centre Club)	WYK640251
4	The Health and Fitness Club, Great Northern Centre, Watson Street, Manchester M3 4EG (Manchester Deansgate Club)	MAN19461
5	Virgin Active, Blythe Gate, Blythe Valley Park, Shirley B90 8AT (Solihull Club)	WM751530
6	Pure Gym, Gallagher Leisure, Dick Lane, Thornbury, Bradford BD3 7AT (Bradford Club)	WYK674499
7	Land and Buildings on the west side of Oldham Street, Denton (Manchester Denton Club)	GM869136 MAN183249
8	Humberston Country Club, Humberston Avenue, Humberston DN36 4SX (Humberston Club)	HS312975
9	Lower Ground Floor and Basement At 21-33 Worple Road, London SW19 4JS (Wimbledon Worple Road Club)	SGL649190
10	Land on the north side of Windingbrook Lane, Northampton (Northampton Collingtree Club)	NN240409
11	Unit 2, 02 Centre, 255 Finchley Road, London NW3 6LU (Swiss Cottage Club)	NGL773250 NGL940894
12	The Health Club, 5 Merchant Square, London (Merchant Square Club)	NGL948646
13	B1, G37 and F31, The Lowrey Outlet Mall, The Quays, Salford (M50 3AH)	MAN240575

Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Bromley Lido, Baths Road, , Bromley, BR2 9RB (Bromley Club)	SGL617329
2	Health Club and Pool, The Club Building, 34 Westferry Circus, London E14 8RR (Canary Riverside)	EGL455196
3	Plant Room, Belgrave Court, 36 Westferry Circus, London E14 8RJ (Canary Riverside)	EGL455194
4	Land on the North East Side of North Street, London (Clapham Club)	TGL184561
5	The Production Village, 108-110 Cricklewood Lane, Cricklewood, London and the land on the north west side of Cricklewood Lane, Cricklewood (Cricklewood Club)	AGL78081
6	Ground Floor and Mezzanine Offices, 3 Shortlands, London W6 8DR (Hammersmith Club)	BGL23270
7	The Second, Third and Fourth Floor Unit of 26 to 40 (even) Kensington High Street, W8 4HP (Kensington Club)	BGL25325
	The Second, Third And Fourth Floor Unit Of 26 to 40 (even) Kensington High Street, London, W8 4PF (Kensington Club)	BGL104825
8	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London (Mayfair Club)	NGL844679
	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London W1C 2QQ (Mayfair Club)	NGL844687
9	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London, W1C 2QR (Mayfair Club)	NGL948951
10	, Land on the South East Side of The Great Northern Close, Nottingham NG2 3AE (Nottingham Club)	NT377331
11	119-131 Lancaster Road, London W11 1QT (Notting Hill Club)	BGL32701
12	154-160 Upper Richmond Road, London SW15 2SW (Putney Club)	TGL120089
13	Land lying to the North of North Road, London (South Wimbledon Club)	TGL145130
14	20 Ockley Road, London SW16 1UB (Streatham Club)	TGL170171
15	Ground Floor Parking Area to the rear of Emsworth Court, Ockley Road, London SW16 1UB	TGL137585
16	Basement, Lower Ground and Ground Floors, Ibex House, 42-47 Minories, London EC3N 1DY (Tower Bridge Club)	EGL571231

No.	Description of Property	Title Number(s)
17	Part of the Ground Floors and the whole of the First, Second and Third Floors of the building on the North West Side of Vine Street, Uxbridge, (Uxbridge Club)	AGL60614
18	Basement Ground and Mezzanine Premises, 1-18 Old Broad Street, London (Bank Club)	EGL563747
19	The Health Club, Lion Plaza, Old Broad Street and Threadneedle Street, London	AGL309206
20	Collingwood Business Centre, Mercers Road, London N19 4PJ (Holloway Road Club)	AGL261805
21	Unit S11, Two Rivers Shopping Centre , Tillys Lane, Staines, TW18 4PJ (Staines Club)	SY777062
22	The Health Club, Ebbershaw Centre, Waterloo Road, Epsom, Surrey KT19 8AG (Epsom Club)	SY719461
23	Leisure Centre, 1 Appold Street (Broadgate Club)	NGL766861

Part B – Registered Land Requiring Notice

Virgin Active Limited and Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Brighton Health and Racquet Club, Village Way, Falmer, Brighton BN1 9SG (Brighton Club)	ESX317176
2	Riverside Health and Racquets Club, Dukes Meadows, London W4 2SX (Chiswick Riverside)	AGL190867 AGL266068
3	Clearview Health Club, Little Warley Hall Lane, Little Warley, Brentwood CM13 3EN (Clearview Club)	EX870412 EX769240

Part C – Unregistered Land

Virgin Active Holdings Limited

No.	Description of Property
1	The leasehold property at part ground floor Altius House, 1 North Fourth Street, Milton Keynes, MK9 1WE as the same is demised by a lease dated 6 December 2011 made between Electricity Supply Nominees Limited (1) and Virgin Active Holdings Limited (2).

* Lease not yet registered and title number given is a provisional title number.

Part D - Registered Land requiring third party consent

Virgin Active Holdings Limited

No.	Description of Property	Title Number(s)
1	36 Bromyard Avenue, Acton, London, W3 7AU (West London Club)	AGL117930

Virgin Active Limited

No.	Description of Property	Title Number(s)
1	200 Aldersgate St, London EC1A 4HD (Aldersgate Club)	AGL234685
2	Mertoun Hall, 106 Belfast Road, Holywood, BT18 9QY (Belfast Club)	
3	Building 3, 566 Chiswick High Road, Chiswick, London, W4 5YA (Chiswick Park Club)	AGL89057
4	Unit 7, Cardigan Fields Development, Kirkstall Road, Leeds, LS4 2EZ (Leeds Life Centre Club)	WYK678912
5	26 Little Trinity Lane, London EC4V 2AR (Mansion House Club)	AGL374439
6	Ferris Row, Riverside Park, Northampton, NN3 9HX (Northampton Riverside Club)	HN14051
7	Manor Park, Woodford Green, Essex, IG8 8GN (Repton Park)	EGL463797
8	3 Broadfield Court, Broadfield Park, Broadfield Road, Sheffield, S8 0XQ (Sheffield Broadfield Park Club)	SYK502290
9	Shell Mex House, 80 Strand, London, WC2R 0DT (Strand Club)	NGL806196 NGL958010
10	25 Walbrook, London EC4N 8AF (Walbrook Club)	AGL340303
11	West Smugglers Way, Wandsworth, London SW18 1DG (Wandsworth Smugglers Way Club)	TGL200084 TGL361783
12	The Water Gardens, College Square, Harlow, Essex CM20 1AJ (Harlow Club)	EX704944 EX878889
13	1 Archer Drive, Sheffield, S8 0JT (Sheffield Millhouses Club)	SYK389439 SYK594554
14	Eccleshall Road, Stafford, Staffordshire, ST16 1RA (Stafford Club)	SF473424

Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Bittacy Hill, Mill Hill, Barnet NW7 1AF (Mill Hill East Club)	AGL111026
2	97 Aldersgate St, London EC1A 4JP (Barbican Club)	NGL713903 NGL706307 NGL759737
3	188A and 196A Fulham Rd, London SW10 9PN (Chelsea Club)	NGL391153 NGL605409 NGL638513
4	31 Topsfield Parade, Tottenham Lane, Crouch End, London, N8 8PT (Crouch End Club)	EGL359343
5	Normand Park, Lillie Road, Fulham, London, SW6 7ST (Fulham Club)	BGL36096 BGL36349
6	Armoury House, 33 Bunhill Row, London, EC1Y 8LP (Moorgate Club)	EGL558947
7	Shell Mex House, 80 Strand, London, WC2R 0DT (Strand Club)	NGL806196 NGL958010
8	100 Aldersgate Street, London, EC1A 4JP (Barbican Head Office)	NGL775935 AGL309213
9	16 Star City, Watson Road, Birmingham, B7 5SB (Birmingham Star City Club)	WM900991
10	Observatory Shopping Centre, High Street, Slough, SL1 1BN (Slough Club)	

Virgin Active Group Investments Limited

No.	Description of Property	Title Number(s)
1	200 Rayleigh Road, Thundersley, Essex, SS7 3YP	EX732546 EX732592

SCHEDULE 3

Securities

Part A – Shares

Name of Chargor	Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Registered holder
Virgin Active Holdings Limited	Virgin Active Health Clubs Limited	60,350,000	£1.00 ordinary shares	Virgin Active Holdings Limited
		350,000	£0.50 B shares	
Virgin Active Holdings Limited	Virgin Active Limited	621,059	£0.001 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active Italia S.p.A.	102,564	€1.00 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active España S.A.U.	350,000	€10.00 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active Asia Pacific Holdings Limited	255	£0.001 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Esporta Racquets & Non Racquets Holdings Limited	100,003	£1.00 Ordinary shares	Virgin Active Holdings Limited
Virgin Active Investment Holdings Limited	Virgin Active Holdings Limited	1,433,710	£0.01 ordinary shares	Virgin Active Investment Holdings Limited
Esporta Management Services Limited	Esporta Racquets Limited	100,001	£1.00 ordinary shares	Esporta Management Services Limited
Esporta Racquets & Non Racquets Holdings Limited	Esporta Management Services Limited	1	£1.00 ordinary shares	Esporta Racquets and Non Racquets Holdings Limited
Esporta Management Services Limited	Esporta Non Racquets Limited	2	£1.00 ordinary shares	Esporta Management Services Limited
Esporta Racquets Limited	Esporta Tennis Clubs Limited	20,010	£0.0001 ordinary shares	Esporta Racquets Limited
Esporta Non Racquets	Esporta Health & Fitness	1,000,000	£1.00 ordinary	Esporta Non Racquets

Name of Chargor	Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Registered holder
Limited	Limited		shares	Limited
Esporta Health & Fitness Limited	Esporta Health Clubs Limited	50,002	£1.00 ordinary shares	Esporta Health & Fitness Limited
Esporta Tennis Clubs Limited	Esporta Financial Services Limited	1	£1.00 ordinary shares	Esporta Tennis Clubs Limited

Part B - Other Securities
none as at the date hereof

SCHEDULE 4

Specified Contracts

1. The Hedging Agreements.
2. The licence between Virgin Enterprises Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in the UK dated 23 February 2002, as assigned to Virgin Active Holdings Limited as licensee on 31 October 2006, as amended on 7 April 2010 and as assigned to ACTIVEIPCO Limited as licensor on 20 October 2011.
3. The licence between Virgin Enterprises Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in Europe dated 23 February 2002, as amended on 27 February 2004, as assigned to Virgin Active Holdings Limited on 31 October 2006, as amended on 19 December 2007 as amended on 7 April 2010 and as assigned to ACTIVEIPCO Limited as licensor on 20 October 2011.
4. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Holmes Place Health Clubs Limited relating to the operation of gyms and fitness centres in the UK dated 31 October 2006.
5. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in the UK dated 31 October 2006.
6. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Italia S.p.A. relating to the operation of gyms and fitness centres in Italy dated 31 October 2006.
7. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active España S.A.U. relating to the operation of gyms and fitness centres in Spain dated 31 October 2006.
8. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Portugal, Sociedade Unipessoal, Lda relating to the operation of gyms and fitness centres in Portugal dated 31 October 2006.
9. All structural intra-group loan agreements existing within the Group.

SCHEDULE 5

Form of Notice of Charge – Specified Contracts

Part A - Form of Notice

To: [Name of relevant counterparty to Specified Contract]

Address: [] [Date]

Dear Sirs

We, [insert name of relevant Chargor] (the "**Company**") HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [●] 2017 and made between, inter alios, the Company and HSBC Corporate Trustee Company (UK) Limited the "**Security Trustee**" (the "**Debenture**") the Company charged to the Security Trustee by way of first fixed charge all of its present and future rights, title and interest in and to the following agreement:

[describe agreement]

(the "**Agreement**") including, but not limited to, the right to demand and receive all moneys whatsoever payable to or for the benefit of the Company under or arising from the Agreement, all remedies provided for in the Agreement or available at law or in equity in relation to the Agreement, the right to compel performance of the Agreement and all other rights, interests and benefits whatsoever accruing to or for the benefit of the Company arising from the Agreement.

The Company hereby authorises and instructs you as follows:

- (a) prior to the receipt by you of a notice informing you that a Declared Default has occurred (which notice has not been revoked) the Company has been authorised to give, and you may accept and act upon instructions regarding the operation of the Agreement in accordance with the terms thereunder;
- (b) immediately upon receipt of a notice informing you that a Declared Default has occurred (which notice has not been revoked) (which you may rely upon without further enquiry) from the Security Trustee, all moneys payable by you to the Company pursuant to the Agreement shall be paid to the Company's account (account number [insert account number], sort code [insert sort code] and account reference "[insert account name]") with the Security Trustee unless and until you receive notice from the Security Trustee to the contrary, in which event you should make all future payments as directed by the Security Trustee.

Notwithstanding the charge referred to above or the making of any payment by you to the Security Trustee pursuant to it, the Company shall remain liable under the Agreement to perform all the obligations assumed by it under the Agreement and neither the Security Trustee nor any receiver nor any delegate appointed by the Security Trustee or any such receiver shall be at any time under any obligation or liability to you under or in respect of the Agreement. The Company shall also remain entitled to exercise all its rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to the Company in each case unless and until you receive notice from the Security Trustee to the contrary when all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Trustee or as it directs.

The Company confirms that following the occurrence of and notice to the counterparty from the Security Trustee of a Declared Default:

- (a) in the event of any conflict between communications received from it and from the Security Trustee, the communication from the Security Trustee shall prevail;
- (b) none of the instructions, authorisations or confirmations set out specifically in this Notice of Charge (the "**Notice**") can be revoked or varied in any way except with the Security Trustee's specific written consent; and
- (c) any written notice or instructions given to you by the Security Trustee in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Security Trustee at [insert address] for the attention of [officer/department].

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

Yours faithfully

for and on behalf of

[insert name of relevant Chargor]

Part B - Form of Acknowledgement

[on duplicate]

To: [•]

Address: [•]

Attention: [•]

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We give any consent to the creation of the charge required pursuant to the Agreement and agree to and confirm that:

- (a) we will pay all moneys hereafter becoming due to the Company in respect of the Agreement as directed in the Notice and accept and will comply with the terms of the Notice;
- (b) following notification from you of the occurrence of a Declared Default, we shall:
 - (i) permit you to exercise all or any of the rights of the Company under the Agreement for so long as you shall require. Such notice in writing shall be binding and conclusive upon us; and/or
 - (ii) if so requested, enter into a novation agreement (in form and substance acceptable to you) by which you[, a receiver appointed by you under the Debenture] or another person nominated by you and approved by us (such approval not to be unreasonably withheld or delayed) assume(s) the rights and obligations of the Company under the Agreement (but giving credit to you[, such receiver] or such other person for moneys already paid and obligations already performed by or on behalf of the Company pursuant to the Agreement) and we agree and confirm that on being called upon to execute any such novation agreement we shall promptly execute the same;
- (c) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, the Agreement or any other notice relating to the Agreement; and
- (d) this acknowledgment is freely assignable or transferable by you, by any subsequent assignee, transferee or successor in title in accordance with the terms of the Agreement ("**Subsequent Party**") and by any receiver appointed by you or by any Subsequent Party pursuant to the Debenture.

Yours faithfully

for and on behalf of

[Name of relevant counterparty to Specified Contract]

SCHEDULE 6

Form of Notice of Charge – Accounts not with the Security Trustee

Part A - Form of Notice

To: [Name of relevant bank or financial institution]

Address: [•] [Date]

Dear Sirs

We, [insert name of relevant Chargor] (the "**Company**") HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [•] 2017 and made between, inter alios, the Company and HSBC Corporate Trustee Company (UK) Limited the "**Security Trustee**" (the "**Debenture**") the Company charged to the Security Trustee by way of first fixed charge all of its present and future rights, title and interest in and to all moneys from time to time deposited in or standing to the credit of any bank account with any bank or financial institution, including the following account(s) (each a "**Relevant Account**") maintained with you:

[Specify accounts: account name, account number, details of branch etc.]

Accordingly, the Company hereby irrevocably and unconditionally instructs and authorises you as follows:

- (a) prior to the receipt by you of a notice informing you that a Declared Default has occurred (which notice has not been revoked) the Company has been allowed to give, and you may accept and act upon instructions regarding the operation of the Relevant Accounts;
- (b) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Trustee, you agree to disclose to the Security Trustee, without any reference to or further authority from the Company and without any enquiry by you as to the justification for such disclosure, such information relating to any of the Relevant Accounts and the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts as the Security Trustee may at any time and from time to time request you to disclose to it;
- (c) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Trustee to hold all moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts to the order of the Security Trustee and to pay or release all or any part of such moneys in accordance with the written instructions of the Security Trustee at any time and from time to time; and
- (d) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Trustee to comply with the terms of any other written notice or instructions that you receive at any time and from time to time from the Security Trustee in any way relating to the Debenture, any of the Relevant Accounts or the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts without any reference to or further authority from the

Company and without any enquiry by you as to the justification for or validity of such notice or instructions.

The Security Trustee has agreed that the Company may withdraw any moneys from any of the Relevant Accounts without any reference to or further authority from the Security Trustee except to the extent that the Security Trustee gives you notice to the contrary following the occurrence of a Declared Default.

Upon and after the giving of such notice, the Company shall cease to be entitled to make any such withdrawal to the extent specified in the notice.

The Company confirms that:

- (a) in the event of any conflict between communications received from it and from the Security Trustee following the occurrence of a Declared Default and notice thereof to the bank in which the Relevant Account is held, the communication from the Security Trustee shall prevail;
- (b) none of the instructions, authorisations or confirmations in this Notice of Charge (the "**Notice**") can be revoked or varied in any way except with the Security Trustee's specific written consent; and
- (c) any written notice or instructions given to you by the Security Trustee in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Security Trustee at *[insert address]* for the attention of *[officer/department]*.

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

Yours faithfully

for and on behalf of
[insert name of relevant Chargor]

Part B - Form of Acknowledgement

[on duplicate]

To: [•]

Address: [•]

Attention: [•]

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We agree to and confirm the following:

- (a) we accept and will comply with the terms of the Notice;
- (b) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over or affecting any of the Relevant Accounts;
- (c) we have not claimed or exercised and will not claim or exercise (except with the Security Trustee's prior written consent) any security interest, right of set-off, consolidation or counterclaim or any other right against or in respect of any of the Relevant Accounts, except in respect of our usual administrative and transactional fees and charges in relation to the Relevant Account in question; and
- (d) we shall not permit the Company to make any withdrawal from any of the Relevant Accounts after receipt by us of a notice from the Security Trustee prohibiting such withdrawals to the extent specified in that notice.

Yours faithfully

for and on behalf of

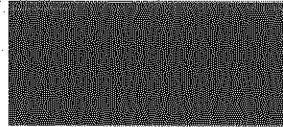
[name of relevant bank or financial institution]

Execution Page

The Chargors

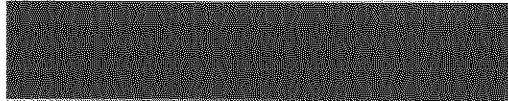
Executed as a deed by **Virgin Active
Investment Holdings Limited** on being
signed by **ASHLEY AYLMER**

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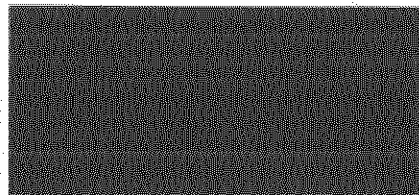
(Attorney)

Witness' signature



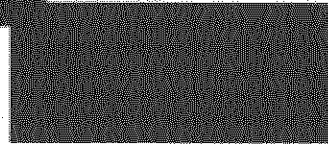
JOHANNA HARTLEY

Witness' address



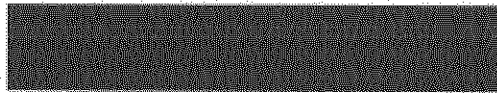
Executed as a deed by **Virgin Active
Holdings Limited** on being signed by
ASHLEY AYLMER

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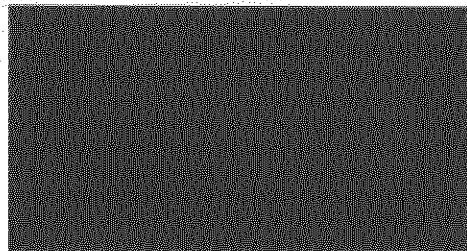
(Attorney)

Witness' signature



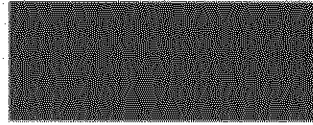
JOHANNA HARTLEY

Witness' address



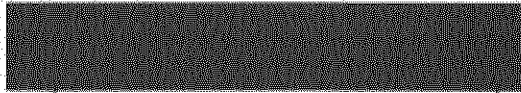
Executed as a deed by Virgin Active
Limited on being signed by
ASHLEY AYLMER

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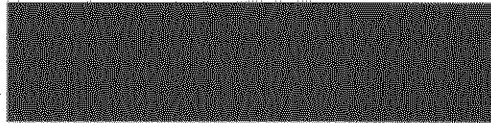
(Attorney)

Witness' signature



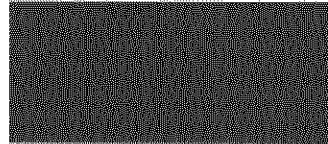
JOHANNA HARTLEY

Witness' address



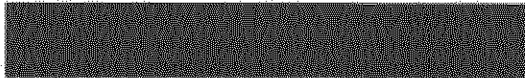
Executed as a deed by Virgin Active
Health Clubs Limited on being signed
by **ASHLEY AYLMER**

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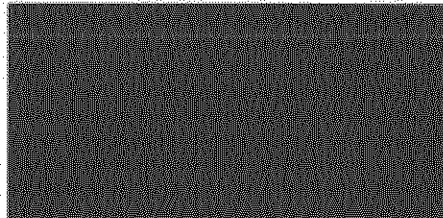
(Attorney)

Witness' signature



JOHANNA HARTLEY

Witness' address



Executed as a deed by **Esporta
Racquets & Non Racquets Holdings
Limited** on being signed by
ASHLEY AYLMER

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(Attorney)

Witness' signature

[REDACTED]

JOHANNA HARTLEY

Witness' address

[REDACTED]

Executed as a deed by **Esporta
Racquets Limited** on being signed by
ASHLEY AYLMER

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(Attorney)

Witness' signature

[REDACTED]

JOHANNA HARTLEY

Witness' address

[REDACTED]

Executed as a deed by **Esporta Non
Racquets Limited** on being signed by
ASHLEY AYLMER

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(Attorney)

Witness' signature

[REDACTED]

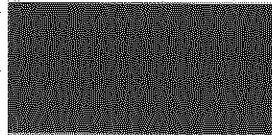
JOHANNA HARTLEY

Witness' address

[REDACTED]

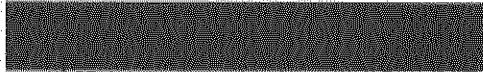
Executed as a deed by **Esporta Health
& Fitness Limited** on being signed by
ASHLEY AYLMER

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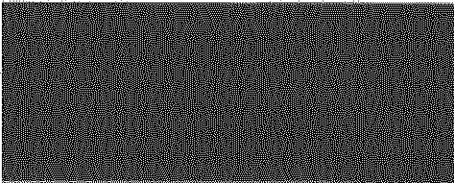
(Attorney)

Witness' signature



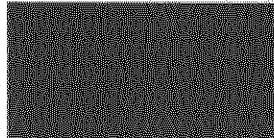
JOHANNA HARTLEY

Witness' address



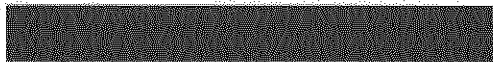
Executed as a deed by **Esporta
Management Services Limited** on
being signed by **ASHLEY AYLMER**

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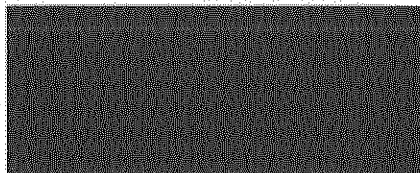
(Attorney)

Witness' signature



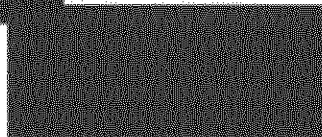
JOHANNA HARTLEY

Witness' address



Executed as a deed by **Esporta Tennis
Clubs Limited** on being signed by
ASHLEY AYLMER

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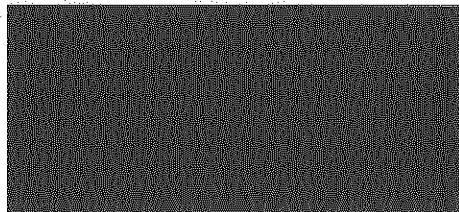
(Attorney)

Witness' signature

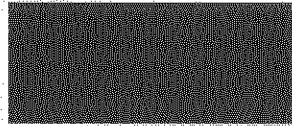


JOHANNA HARTLEY

Witness' address

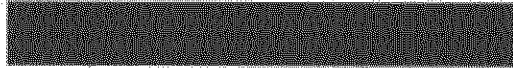


Executed as a deed by **Esporta
Financial Services Limited** on being
signed by **ASHLEY AYLMER**



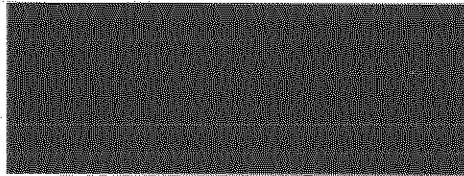
(Attorney)

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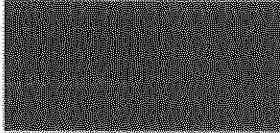


JOHANNA HARTLEY

Witness' address

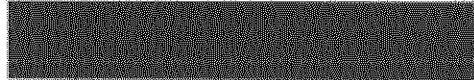


Executed as a deed by **Esporta Health
Clubs Limited** on being signed by
ASHLEY AYLMER



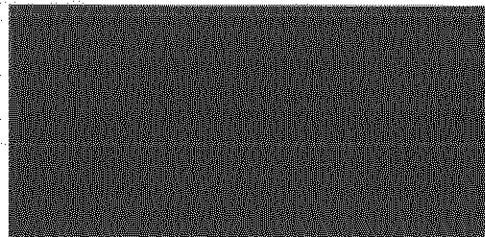
(Attorney)

Witness' signature



JOHANNA HARTLEY

Witness' address



The Security Trustee

EXECUTED as a DEED

by HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED acting by

[Redacted Signature]

John Ashby
Authorised Signatory

Authorised signatory

Witnessed by:

[Redacted Signature]

Witness Name:

Witness Address:

HAILEY PURWELL
AUTHORISED SIGNATORY

HSBC BANK PLC
8 CANADA SQUARE
LONDON E14 5HQ