



Registration of a Charge

Company Name: **BEADTREK LIMITED**

Company Number: **04735372**



XB800F6A

Received for filing in Electronic Format on the: **11/07/2022**

Details of Charge

Date of creation: **08/07/2022**

Charge code: **0473 5372 0004**

Persons entitled: **U.S. BANK TRUSTEES LIMITED (AS SECURITY AGENT)**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ANNA DIAKOU**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4735372

Charge code: 0473 5372 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th July 2022 and created by BEADTREK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th July 2022 .

Given at Companies House, Cardiff on 13th July 2022

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



Companies House



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

EXECUTION VERSION

PROPCO SECURITY AGREEMENT

DATED 8 JULY 2022

BETWEEN

LARDPAM LIMITED

and

ALERUN LIMITED

and

BEADTREK LIMITED

and

FIRLEIGH LIMITED

and

RANMIA LIMITED

and

U.S. BANK TRUSTEES LIMITED

ALLEN & OVERY

Allen & Overy LLP

0134976-0000001 UKO2: 2004684942.8

CONTENTS

Clause	Page
1. Definitions and Interpretation	3
2. Creation of Security	6
3. Representations – General	8
4. Restrictions on Dealings	8
5. Land	9
6. Compulsory Purchase Proceeds	9
7. Assigned Relevant Contracts	9
8. When Security Becomes Enforceable	10
9. Enforcement of Security	10
10. Receiver	12
11. Powers of Receiver	13
12. Application of Proceeds	15
13. Delegation	15
14. Further Assurances	15
15. Power of Attorney	16
16. Preservation of Security	16
17. Miscellaneous	18
18. Release	19
19. Security Agent	19
20. Governing Law	20
21. Notices	20
22. Partial Invalidity	22
23. Remedies and Waivers	22
24. Miscellaneous	23
25. Enforcement	23
 Schedule	
1. Chargors	24
2. Security Assets	25
3. Existing Security	26
4. Property Undertakings	27
5. Forms of Letter for Compulsory Purchase Proceeds Account	28
Part 1 Notice to Bank	28
Part 2 Acknowledgement of Notice	30
6. Forms of Letter for Assigned Relevant Contracts	31
Part 1 Notice to Counterparty	31
Part 2 Acknowledgement of Notice	34
 Signatories	 31

THIS DEED is dated 8 July 2022 and made

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (Chargors) as chargors (the **Chargors**); and
- (2) **U.S. BANK TRUSTEES LIMITED**, a private limited company incorporated in England and Wales (registered no. 02379632), whose registered office is 125 Old Broad Street, Fifth Floor, London EC2N 1AR, United Kingdom, in its capacity as security trustee for the Secured Parties appointed pursuant to the Note Issuance Agreement (as defined below) (the **Security Agent**).

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Note Issuance Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Assigned Relevant Contract means any agreement, instrument or other document specified in Schedule 2 (Security Assets) under the heading **Assigned Relevant Contracts**.

Cash Collateral has the meaning given to it in the Existing Master Definitions Schedule.

Cash Collateral Account has the meaning given to it in the Existing Master Definitions Schedule.

Cash Collateral Account Bank has the meaning given to "Account Bank" in the Existing Master Definitions Schedule.

Compulsory Purchase Proceeds means any financial compensation received by a PropCo as a result of any compulsory purchase of land (or voluntary sale of land affected by a compulsory purchase order) affecting any Mortgaged Property, whether or not such land is comprised within any Mortgaged Property, that is invested as Cash Collateral.

Deed of Priority means the deed of priority to be entered into on or about the date of this Deed between, among others, the Chargors, the Security Agent and the Existing Security Trustee.

Existing Master Definitions Schedule means the master definitions schedule signed for identification purposes on 25 November 2003 in relation to the bonds issued by Premiartel PLC.

Existing Security means the Security granted in respect of the Existing Securitisation pursuant to the Existing Security Documents and includes the mortgages listed in Schedule 3 (Existing Security) which are registered against the Security Assets.

Existing Security Documents means the Senior Security Documents as defined in the Deed of Priority.

Existing Security Trustee means U.S. Bank Trustees Limited, being the Obligor Trustee (as defined in the Existing Security Documents).

Existing Transaction Documents means the Senior Documents as defined in the Deed of Priority.

Issuer-Borrower Loan Agreement has the meaning given to it in the Existing Transaction Documents.

Note Issuance Agreement means the note issuance agreement dated 8 July 2022 between, among others, the Issuer and the Security Agent.

Party means a party to this Deed.

PropCo 1 means Lardpam Limited.

PropCo 2 means Alerun Limited.

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

Secured Liabilities means:

- (a) all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Issuer to any Secured Party under or in connection with the Finance Documents; and
- (b) all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally) of each PropCo to any Secured Party under this Deed.

Security Asset means any asset of a Chargor which is, or is expressed to be, subject to any Security created by this Deed.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Senior Discharge Date has the meaning given to that term in the Deed of Priority.

1.2 Construction

- (a) Capitalised terms defined in the Note Issuance Agreement have the same meaning in this Deed, unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Note Issuance Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Note Issuance Agreement shall be construed as references to this Deed.

- (c) Unless a contrary indication appears, any reference in this Deed to:
- (i) a **Finance Document** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (ii) any **rights** in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities, in each case, in respect of or derived from that asset;
 - (iii) the term **this Security** means any Security created by this Deed.
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or any delegate or sub-delegate of the Security Agent or any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

1.4 Fixed Security

- (a) Clause 2.2 (Land) shall be construed as creating a separate and distinct fixed charge over each relevant asset within any particular class of assets defined under this Agreement and the failure to create an effective fixed charge (whether arising out of this Agreement or any act or omission by any party) on any one asset shall not affect

the nature of any fixed charge imposed on any other asset whether within the same class of assets or not.

- (b) The fixed charges and assignments created in this Deed shall not apply to assets or rights located in Scotland or Northern Ireland or otherwise governed by Scots or Northern Irish law.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Agent for itself and as trustee on behalf of the other Secured Parties;
 - (ii) is created over the Security Assets only;
 - (iii) is security for the payment of all the Secured Liabilities; and
- (b) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Land

- (a) Subject to clause 2.6(a), PropCo 1 and PropCo 2 charge by way of a first legal mortgage all estates or interests in the real property specified in Schedule 2 (Security Assets) under its name under the heading "Real Property" (each, a **Mortgaged Property**).
- (b) A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes all buildings, fixtures, fittings and fixed plant and machinery on that property and the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Chargor in respect of that property or any moneys paid or payable in respect of those covenants and the benefit in respect of any building insurances to the extent that they relate to any of the Mortgaged Property and all claims and returns of premiums in respect of them.

2.3 Compulsory purchase proceeds

- (a) Subject to clause 2.6(a), each Chargor charges by way of a first fixed charge all of its rights in respect of any Compulsory Purchase Proceeds.
- (b) For the avoidance of doubt:
 - (i) the charge set out in clause 2.3(a) above shall not be construed as a charge over the Cash Collateral and/or the Cash Collateral Account other than in respect of the Compulsory Purchase Proceeds and the Chargors shall be free to deal with any such Cash Collateral that is not Compulsory Purchase Proceeds and the Cash Collateral Account (to the extent that the amount contained therein exceeds the amount representing the Compulsory Purchase Proceeds) as provided for in the Existing Transaction Documents; and
 - (ii) the Chargors shall be free to deal with any Cash Collateral that is Compulsory Purchase Proceeds to the extent required under, and in accordance with, the Existing Transaction Documents.

2.4 Assigned Relevant Contracts

Subject to clause 2.6(a), each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of each Assigned Relevant Contracts.

2.5 Floating charge

- (a) Subject to clause 2.6(b), each Chargor charges by way of a first floating charge all of its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under (a) this Clause 2 (Creation of Security) or (b) a PropCo Scottish Security Document or (c) the PropCo NI Mortgage and Charge.
- (b) Following the Senior Discharge Date, and except as provided below, the Security Agent may (to the extent permitted under applicable law) by notice to a Chargor convert the floating charge created by that Chargor under this Clause 2.5 into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Event of Default is continuing; or
 - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Clause 2.5 may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under part A1 of the Insolvency Act 1986 other than in respect of any floating charge referred to in subsection (4) of section A52 of part A1 of the Insolvency Act 1986.
- (d) The floating charge created by this Clause 2.5 shall (to the extent permitted under applicable law and in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of a Chargor's assets if, only following the Senior Discharge Date, an administrator is appointed, or the Security Agent receives notice of an intention to appoint an administrator, in respect of that Chargor.
- (e) The floating charge created by this Clause 2.5 is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (f) The floating charge created by this Clause 2.5 may not be converted into a fixed charge for any reason prior to the Senior Discharge Date.

2.6 Ranking

- (a) Where this deed purports to create a first fixed Security over any asset that is or becomes subject to equivalent Security created by the Existing Security, that Security will be a second ranking Security ranking subject to the equivalent Security created by the Existing Security granted in favour of the Existing Security Trustee until the Senior Discharge Date (as defined in the Deed of Priority).

- (b) Where this deed purports to create a first floating Security over any asset that is or becomes subject to equivalent Security created by the Existing Security, that Security will be a second ranking Security ranking subject to the equivalent Security created by the Existing Security granted in favour of the Existing Security Trustee until the Senior Discharge Date (as defined in the Deed of Priority).
- (c) Where a right or asset has been assigned to the Existing Security Trustee (subject to a proviso for re-assignment on redemption) under the Existing Security) and the same asset or right is purported to be assigned (subject to a proviso for re-assignment on redemption) to the Security Agent under this Deed, that second assignment will take effect as a fixed charge over that right or asset and will only take effect as an assignment if at the Senior Discharge Date (as defined in the Deed of Priority) this Deed still has effect.

3. REPRESENTATIONS – GENERAL

3.1 Nature of security

Each Chargor represents and warrants to the Security Agent that this Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

3.2 Confirmation of representations pursuant to the Note Issuance Agreement

Each Chargor confirms the representations that the Parent (as defined in the Note Issuance Agreement) makes on each Chargor's behalf pursuant to clause 14 (Representations) of the Note Issuance Agreement on: (i) the dates specified in the Note Issuance Agreement; and (ii) the date of this Deed.

3.3 Times for making representations

- (a) The representations and warranties in this Deed (including in this Clause 3) are made by each Chargor on the date of this Deed.
- (b) Unless a representation and warranty is expressed to be given at a specific date, the representations and warranties under this Deed are deemed to be made by each Chargor by reference to the facts and circumstances then existing on each date during the Security Period.

4. RESTRICTIONS ON DEALINGS

No Chargor shall:

- (a) create or permit to subsist any Security over any Security Asset; or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset,

except as expressly allowed under the Existing Security Documents, the Existing Transaction Documents, the Existing Securitisation (as defined pursuant to the Framework Agreement), Framework Agreement, the Put Option, the Note Issuance Agreement, the Deed of Priority or this Deed and shall promptly provide written notice of such dealing to the Security Agent.

5. LAND

5.1 Title

Each of PropCo 1 and PropCo 2 represents and warrants to the Security Agent that it is the sole legal and beneficial owner of its Mortgaged Property, free of any Security (except for those created by or pursuant to the Existing Security Documents and the Existing Security) and restrictions and onerous covenants as recorded against the title to each Mortgaged Property.

5.2 HM Land Registry

Each of PropCo 1 and PropCo 2 consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at HM Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated 8 July 2022 in favour of U.S. Bank Trustees Limited referred to in the charges register or their conveyancer. (Standard Form P)".

5.3 Deposit of title deeds

Following the release of the Existing Security, each of PropCo 1 and PropCo 2 shall use reasonable endeavours to deposit with the Security Agent all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and HM Land Registry search certificates and similar documents received by it or on its behalf.

5.4 Property undertakings

Each of PropCo 1 and PropCo 2 undertakes as set out in Schedule 4 from the date on which all Security granted pursuant to the Existing Securitisation has been discharged until the expiry of the Security Period.

6. COMPULSORY PURCHASE PROCEEDS

6.1 Notices of charge

In relation to the Compulsory Purchase Proceeds, the Chargors shall:

- (a) within 5 Business Days of any Compulsory Purchase Proceeds coming into existence, serve a notice of charge, substantially in the form of Part 1 of Schedule 5 (Forms of Letter for Compulsory Purchase Proceeds Account) on the Cash Collateral Account Bank; and
- (b) use its reasonable endeavours to ensure that the Cash Collateral Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 5 (Acknowledgement of Notice).

7. ASSIGNED RELEVANT CONTRACTS

7.1 Notices of assignment/charge

The Chargors shall:

- (a) immediately serve a notice of assignment on each counterparty to an Assigned Relevant Contract substantially in the form of Part 1 of Schedule 6 (Forms of Letter for Assigned Relevant Contracts); and
- (b) use all reasonable endeavours to ensure that the counterparty to an Assigned Relevant Contract acknowledges the notice referred to in paragraph (a) above, substantially in the form of Part 2 of Schedule 6 (Forms of Letter for Assigned Relevant Contracts).

7.2 Assigned Relevant Contracts

Notwithstanding the foregoing, the Security Agent acknowledges that, until the service of an Enforcement Notice, each Chargor may exercise, or refrain from exercising, all rights, powers, authorities, remedies and discretions and perform its obligations in relation to the Assigned Relevant Contracts in such manner as the respective Chargors in its absolute discretion shall think fit but subject to and in accordance with the provisions of the Finance Documents.

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 Event of Default

Subject to the Deed of Priority, this Security shall become immediately enforceable if an Event of Default occurs and is continuing.

8.2 Discretion

After this Security has become enforceable, the Security Agent may (subject to the Deed of Priority) enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Note Issuance Agreement.

8.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, shall be immediately exercisable at any time after this Security has become enforceable.

9. ENFORCEMENT OF SECURITY

9.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

9.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

9.3 Privileges

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

9.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or their agents need enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

9.5 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

9.6 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of a Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent may after this Security has become enforceable appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) Where any financial collateral is appropriated:
 - (i) if it is cash, its value will be the amount standing to the credit of the relevant account on the date of appropriation plus any accrued but uncredited interest;
 - (ii) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (iii) in any other case, its value will be such amount as determined by the Security Agent (as instructed in accordance with the Note Issuance Agreement) by reference to a valuation carried out by an independent adviser, investment bank or accountancy firm of national standing appointed by the Security Agent (as instructed in accordance with the Note Issuance Agreement),

and the Security Agent shall give credit for the value of the financial collateral appropriated to its use.

10. RECEIVER

10.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if this Security has become enforceable.
- (b) Any appointment under paragraph (a) above shall be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not 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 part A1 of the Insolvency Act 1986 other than in respect of any floating charge referred to in subsection (4) of section A52 of part A1 of the Insolvency Act 1986.

10.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act shall not apply. Each Chargor will pay the remuneration of any Receiver in accordance with the terms and in the manner agreed from time to time between the relevant Receiver and the Security Agent and always in accordance with the terms of the Note Issuance Agreement.

10.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of each Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor shall be responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) The Security Agent shall not incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason and shall have no responsibility for any Receiver's acts, omissions, defaults, misconduct, losses or liabilities.

10.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

11. POWERS OF RECEIVER

11.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

11.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

11.3 Carry on business

A Receiver may carry on any business of any Chargor in any manner it thinks fit.

11.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as it thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

11.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which it thinks fit.

11.6 Sale of assets

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

11.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which it thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on

any terms which it thinks fit (including the payment of money to a lessee or tenant on a surrender).

11.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

11.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which it thinks fit.

11.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

11.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

11.12 Delegation

A Receiver may delegate its powers in accordance with this Deed.

11.13 Lending

A Receiver may lend money or advance credit to any person.

11.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation or other works; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as it thinks fit.

11.15 Other powers

A Receiver may:

- (a) do all other acts and things which it may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

- (b) exercise in relation to any Security Asset all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of that Security Asset; and
- (c) use the name of any Chargor for any of the above purposes.

12. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Security shall be held by the Security Agent and applied in the following order of priority:

- (a) in or towards payment of or provision for the Secured Liabilities in accordance with the terms of the Note Issuance Agreement; and
- (b) in payment of the surplus (if any) to any Chargor or other person entitled to it.

This Clause 12 is subject to the payment of any claims having priority over this Security. This Clause 12 does not prejudice the right of the Security Agent to recover any shortfall from any Chargor.

13. DELEGATION

13.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion exercisable by it under this Deed.

13.2 Terms

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

13.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or will be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of any delegate or sub-delegate.

14. FURTHER ASSURANCES

14.1 Subject to the terms of the Existing Security Documents and the Existing Transaction Documents, each Chargor shall promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:

- (a) creating, perfecting or protecting any security over any Security Asset; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

14.2 The action that may be required under paragraph (a) above includes (without limitation):

- (a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance in respect of any asset, whether to the Security Agent, its nominee or any other person; or
 - (b) the giving of any notice, order or direction and the making of any filing or registration,
- which, in any such case, the Security Agent may consider necessary or desirable.

15. POWER OF ATTORNEY

Subject to the terms of the Existing Security Documents and the Existing Transaction Documents, each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of that Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case, which may be required or which any attorney may, in its absolute discretion, deem necessary for carrying out any obligation of that Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 15.

16. PRESERVATION OF SECURITY

16.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made by the Security Agent in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

16.2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 16, would reduce, release or prejudice any of its obligations under this Deed including (without limitation and whether or not known to it or the Security Agent):

- (a) any time, waiver or consent granted to, or composition with, the Issuer or other person;
- (b) the release of the Issuer or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Issuer or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Issuer or any other person;

- (e) any amendment of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency, resolution or similar proceedings.

16.3 Chargor intent

- (a) Without prejudice to the generality of Clause 16.2 (Waiver of defences), each Chargor acknowledges that the Finance Documents may from time to time be amended.
- (b) Each Chargor confirms its intention that:
 - (i) any amendment to a Finance Document is within the scope of the Secured Liabilities and this Security; and
 - (ii) the Secured Liabilities and this Security extend to any amount payable by the Chargor under or in connection with a Finance Document as amended.
- (c) Each Chargor agrees that the confirmations in paragraph (b) above apply regardless of:
 - (i) why or how a Finance Document is amended (including the extent of the amendment and any change in or addition to the parties);
 - (ii) whether any amount payable by the Issuer under or in connection with the amended Finance Document in any way relates to any amount that would or may have been payable had the amendment not taken place;
 - (iii) the extent to which the Chargor's liability under this Deed (whether present or future, actual or contingent), or any right it may have as a result of entering into or performing its obligations under this Deed, changes or may change as a result of the amendment; and
 - (iv) whether the Chargor was aware of or consented to the amendment.

16.4 Immediate recourse

Each Chargor waives any right it may have of first requiring the Security Agent (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or provision of a Finance Document to the contrary.

16.5 Appropriations

The Security Agent (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Security Agent (or trustee or agent) in respect of the Secured Liabilities or apply and enforce the same in such manner and order as it sees fit (whether against the

Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and

- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

16.6 Deferral of Chargor's rights

Unless the Security Period has expired or the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by the Issuer;
- (b) to claim any contribution from any other person who has provided security or a guarantee in respect of the Issuer's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Security Agent;
- (d) to bring legal or other proceedings for an order requiring the Issuer to make any payment, or perform any obligation, in respect of which any Chargor has granted security under this Deed;
- (e) to exercise any right of set-off against any Chargor; and/or
- (f) to claim or prove as a creditor of the Issuer in competition with the Security Agent.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Security Agent by the Issuer under or in connection with the Finance Documents to be repaid in full on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with the terms of this Deed.

16.7 Additional Security

- (a) This Security is in addition to and is not in any way prejudiced by any other security or guarantee now or subsequently held by the Security Agent.
- (b) No prior security held by the Security Agent (in its capacity as such or otherwise) over any Security Asset will merge with this Security.

17. MISCELLANEOUS

17.1 Continuing Security

This Security is a continuing security and shall extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

17.2 New accounts

- (a) If any subsequent charge or other interest affects any Security Asset, the Security Agent may open a new account with a Chargor.
- (b) If the Security Agent does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Security Agent will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

17.3 Time deposits

Without prejudice to any right of set-off the Security Agent may have under any other Finance Document or otherwise, if any time deposit matures on any account a Chargor has with the Security Agent within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit shall automatically be renewed for any further maturity which the Security Agent considers appropriate.

17.4 Notice to Chargor

This Deed constitutes notice in writing to each Chargor of any charge or assignment by way of security that may at any time be created or made under any Security Document by any of the Finance Parties in respect of any obligation or liability under any agreement, instrument or other document to which that Finance Party is a party.

18. RELEASE

- (a) At the end of the Security Period, the Security Agent shall, at the request and cost of a Chargor, take whatever action is necessary to release its Security Assets from this Security.
- (b) Before the expiry of the Security Period, the Security Agent shall, at the request of a Chargor, take whatever action is necessary to release any part of the Security Assets from this Security but only where such release is expressly permitted by the Transaction Documents.

19. SECURITY AGENT

Each Chargor acknowledges and agrees that the Security Agent:

- (a) is party to this Deed for the better preservation and enforcement of its rights as Security Agent and shall not assume any obligations or liabilities to the Chargors save to the extent expressly assumed hereunder; and
- (b) has been appointed pursuant to the Note Issuance Agreement and, in taking (or refraining from taking) any action under this Deed, the Security Agent will act in accordance with the Note Issuance Agreement and has the benefit of the protective provisions set out in the Note Issuance Agreement as if set out in full herein.

20. GOVERNING LAW

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

21. NOTICES

21.1 Communications in writing

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

21.2 Addresses

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

- (a) in the case of each Chargor, that identified with its name below; and
- (b) in the case of the Security Agent, that identified with its name below,

or any substitute address or department or officer as the Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

21.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective, if:
 - (i) by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under Clause 21.6 (Contact details), if addressed to that department or officer; or
 - (ii) by way of fax or email, it is received in legible form;
- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) to (b), after 5pm in the place of receipt shall be deemed only to become effective on the following day.

21.4 Electronic communication

- (a) Any communication or document to be made or delivered by one Party to another under or in connection with this Deed may be made or delivered by electronic mail or other electronic means if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means (and all parties to this Deed are deemed to provide such notification by reference to their electronic email address included in this Deed); and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication or document as specified in paragraph (a) above made or delivered by one party to another will be effective only when actually received (or made available) in readable form and in the case of any electronic communication or document made or delivered by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
 - (c) Any electronic communication or document which becomes effective, in accordance with paragraph (b) above, after 5pm in the place in which the Party to whom the relevant communication or document is sent or made available has its address for the purpose of this Deed shall be deemed only to become effective on the following day.
 - (d) Any reference in this Deed to a communication being sent or received or a document being delivered shall be construed to include that communication or document being made available in accordance with this Clause 21.4.

21.5 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21.6 Contact details

- (a) Except as provided below, the contact details of each Party for all communications in connection with this Deed are those notified by that Party for this purpose to the Security Agent on or before the date it becomes a Party.
- (b) The contact details of Lardpam Limited for this purpose are:

Address: [REDACTED]

Telephone: [REDACTED]

Attention: [REDACTED]

Email: [REDACTED]
- (c) The contact details of Alerun Limited for this purpose are:

Address: [REDACTED]

Telephone:

Attention:

Email:

- (d) The contact details of Beadtrek Limited for this purpose are:

Address:

Telephone:

Attention:

Email:

- (e) The contact details of Firleigh Limited for this purpose are:

Address:

Telephone:

Attention:

Email:

- (f) The contact details of Ranmia Limited for this purpose are:

Address:

Telephone:

Attention:

Email:

- (g) The contact details of U.S. Bank Trustees Limited for this purpose are:

Address:

Attention:

Email:

22. 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 nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

23. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute

an election to affirm this Deed. No election to affirm this Deed on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

24. MISCELLANEOUS

24.1 Execution

The parties to this Deed consent to the execution by or on behalf of each other party of this Deed, and the witnessing thereof, by electronic signature, provided that such manner of execution is permitted by law.

24.2 Retention

The parties to this Deed:

- (a) agree that an executed copy of this Deed may be retained in electronic form; and
- (b) acknowledge that such electronic form shall constitute an original of this Deed and may be relied upon as evidence of this Deed.

25. ENFORCEMENT

25.1 Jurisdiction

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

25.2 Service of process

- (a) Without prejudice to any other mode of service allowed or required under any relevant law, each Chargor:
 - (i) irrevocably appoints R20 Advisory Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and
 - (ii) agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Chargor must promptly appoint another agent, failing this, the Security Agent may appoint another agent for this purpose.

This Deed has been executed as a deed and delivered by each Chargor on the date stated at the beginning of this Deed.

SCHEDULE 1

CHARGORS

Name of Chargor	Registered number
Lardpam Limited	04735449
Alerun Limited	04735306
Beadtrek Limited	04735372
Firleigh Limited	04735405
Ranmia Limited	04735363

SCHEDULE 2

SECURITY ASSETS

REAL PROPERTY

Chargor	Real Property
Alerun Limited	Land on the west side of Hitchen Hatch Lane, Sevenoaks, England (title number K794880) (the Sevenoaks Property)
Lardpam Limited	Land and buildings lying to the north of London Road, Brentwood (title number EX559785) (the Brentwood Property)

ASSIGNED RELEVANT CONTRACTS

1. Put Option.
2. Framework Agreement.

SCHEDULE 3

EXISTING SECURITY

Security Asset - Real Property	Existing Security
Sevenoaks Property	Charge dated 25 November 2003 in favour of U.S. Bank Trustees Limited (previously known as ABN AMRO Trustees Limited)
Brentwood Property	Charge dated 25 November 2003 in favour of U.S. Bank Trustees Limited (previously known as ABN AMRO Trustees Limited)

SCHEDULE 4

PROPERTY UNDERTAKINGS

1. Compliance with Applicable Laws and Regulations

Each Chargor shall perform all its material obligations under any law or regulation in any way related to or affecting its Mortgaged Property.

2. Deposit of Title Deeds

Each Chargor shall deposit with the Security Agent all deeds and documents of title relating to the Mortgaged Properties which the Security Agent is entitled to hold during the Security Period.

3. Investigation of Title

While an Event of Default is continuing, each Chargor shall grant the Security Agent or its agents on request all facilities within the power of that Chargor to enable the Security Agent or its agents to carry out investigations of title to its Mortgaged Properties and enquiries into matters in connection with its Mortgaged Properties as may be carried out by a prudent mortgagee or heritable creditor. Any expenses properly and reasonably incurred by the Security Agent in conducting such investigations and enquiries shall be for the account of the relevant Chargor.

4. Power to Remedy

Subject to the terms of any leases affecting the Mortgaged Properties, in case of a material default by any Chargor in performing any term of the Finance Documents affecting its Mortgaged Properties and, in the case of a remediable default, after giving the Chargor written notice of such default requiring the Chargor to remedy such default within a reasonable time of service of such notice, the relevant Chargor permits the Security Agent or its agents and contractors:

- (a) to enter on its Mortgaged Properties;
- (b) to comply with or object to any notice served on that Chargor in respect of its Mortgaged Properties; and
- (c) to take any action as the Security Agent deems fit to prevent or remedy any breach of any such term or to comply with or object to any such notice.

SCHEDULE 5

FORMS OF LETTER FOR COMPULSORY PURCHASE PROCEEDS ACCOUNT

PART 1

NOTICE TO BANK

To: [Cash Collateral Bank]

Copy: [Security Agent]

Dated:

**Security Agreement dated [] between []
and [] (the Security Agreement)**

Capitalised terms defined in the Security Agreement have the same meaning in this notice, unless expressly defined in this notice.

This letter constitutes notice to you that under the Security Agreement we (the **Chargors**) have charged (by way of a second fixed charge) in favour of [Security Agent] as trustee for the Secured Parties (the **Security Agent**) all our rights in respect of the Compulsory Purchase Proceeds that are held in the Cash Collateral Account maintained by us with you (Account no. [] sort code []).

The security interest granted to the Security Agent in the Security Agreement is subordinated to the first fixed charge granted in favour of U.S. Bank Trustees Limited as obligor trustee (the **Obligor Trustee**) which we have notified to you separately, until the date on which the Obligor Trustee confirms that the 'Senior Discharge Date' has occurred.

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Compulsory Purchase Proceeds requested from you by the Security Agent;
- (b) following (i) notice to you from the Obligor Trustee that the 'Senior Discharge Date' has occurred, and (ii) notice to you from the Security Agent that the Security Agreement has become enforceable in accordance with its terms:
 - (i) comply with the terms of any written notice or instruction relating to the Compulsory Purchase Proceeds received by you from the Security Agent;
 - (ii) hold all Compulsory Purchase Proceeds to the order of the Security Agent; and
 - (iii) pay or release any Compulsory Purchase Proceeds in accordance with the written instructions of the Security Agent.

Prior to you receiving notice from the Obligor Trustee that the 'Senior Discharge Date' has occurred, we are not permitted to withdraw any Compulsory Purchase Proceeds from the Cash Collateral Account unless such withdrawal is in accordance with the terms of the Note Issuance Agreement, the Existing Security Documents or the Existing Transaction Documents).

Following notice to you from the Obligor Trustee that the 'Senior Discharge Date' has occurred, but prior to notice to you from the Security Agent that the Security Agreement has become enforceable in

accordance with its terms, you may comply with our instructions in respect of Compulsory Purchase Proceeds that are held in the Cash Collateral Account.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [ADDRESS] with a copy to us.

PART 2

ACKNOWLEDGEMENT OF NOTICE

To: [Security Agent]

Copy: [Chargors]

Dated:

**Security Agreement dated [] between []
and [] (the Security Agreement)**

We confirm receipt from [] (the **Chargors**) of a notice dated [] of a charge upon the terms of the Security Agreement over all the rights of the Chargors to the Compulsory Purchase Proceeds held in the Cash Collateral Account.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Compulsory Purchase Proceeds (other than under the Existing Security Documents or the Existing Transaction Documents);
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Compulsory Purchase Proceeds; and
- (d) following notice to you from the Obligor Trustee that the 'Senior Discharge Date' has occurred, and following receipt of notice from the Security Agent that the Security Agreement has become enforceable in accordance with its terms, will not permit any amount to be withdrawn out of the Compulsory Purchase Proceeds without your prior written consent.

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

Yours faithfully

.....
(Authorised signatory)

[Cash Collateral Bank]

SCHEDULE 6

FORMS OF LETTER FOR ASSIGNED RELEVANT CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: British Telecommunications plc

Copy: U.S. Bank Trustees Limited

Dated: ____ July 2022

Security Agreement dated ____ July 2022 between Oakhale Designated Activity Company (the Issuer) and U.S. Bank Trustees Limited (the Security Agent) (the Issuer Security Agreement);

Security Agreement dated ____ July 2022 between Oak Haven Properties Limited (the Parent) and the Security Agent (the Parent Security Agreement);

Security Agreement dated ____ July 2022 between Lardpam Limited (PropCo 1), Alerun Limited (PropCo 2), Beadtrek Limited (PropCo 3), Firleigh Limited (PropCo 4) and Ranmia Limited (PropCo 5 and together with PropCo 1, PropCo 2, PropCo 3, PropCo 4 and PropCo 4, the PropCos) and the Security Agent (the PropCo Security Agreement); and

Mortgage and Charge dated ____ July 2022 between PropCo 5 and the Security Agent (the NI Mortgage and Charge and together with the PropCo Security Agreement, the Issuer Security Agreement and the Parent Security Agreement, the Security Agreements)

Capitalised terms defined in the Security Agreements have the same meaning in this notice, unless expressly defined in this notice.

This letter constitutes notice to you that under the Security Agreements we have assigned by way of security to U.S. Bank Trustees Limited, as agent and trustee for itself and the Secured Parties (as defined in the respective Security Agreement), (the **Security Agent**) absolutely all our rights under or in respect of the framework agreement between, among others, the Issuer and the British Telecommunications plc dated 1 March 2022 (as amended on or about the date of this notice and as amended, novated, supplemented, extended or restated from time to time) and the put option agreement between, among others, the Issuer, the PropCos and British Telecommunications plc dated 1 March 2022 (as amended on or about the date of this notice and as amended, novated, supplemented, extended or restated from time to time) (the **Contracts**).

We further give you notice that the Security Agent has been appointed as "New Security Agent" as such term is defined in the Contracts.

We also give you notice that we have undertaken to the Note Purchasers that we will not consent to an amendment to a Contract that could reasonably be expected to adversely affect the Majority Note Purchaser's interest without the prior consent of the Agent (acting on instructions of the Majority Note Purchasers) (such consent not to be unreasonably withheld) except to the extent required to comply with any law or regulation.

Notwithstanding the security granted over the Contracts under the Security Agreements, the Security Agent acknowledges that, until the service of an Enforcement Notice (as defined in accordance with the Note Issuance Agreement), we may exercise, or refrain from exercising, all rights, powers, authorities, remedies and discretions and may perform its obligations in relation to the Contracts in such manner as

we in our absolute discretion shall think fit but subject to and in accordance with the provisions of the Security Agreements and the Note Issuance Agreement.

Following the service of an Enforcement Notice, we hereby instruct and authorise you as follows (notwithstanding any prior instructions to the contrary):

- (a) to disclose to the Security Agent any information relating to each Contract required by it from time to time;
- (b) pending payment or release of any amounts payable to us under or in connection with each Contract as specified above, to hold all such amounts to the order of the Security Agent;
- (c) to comply with any written instruction received by you from the Security Agent in relation to each Contract from time to time (although save as expressly specified above, pending receipt of any such instructions you should continue to deal with us in relation to all matters relating to each Contract).

We hereby instruct and authorise you (notwithstanding any prior instructions to the contrary) to pay or release all amounts payable to us at any time under or in connection with each Contract to or to the order of the Security Agent by making such payment to the Disposal Account at the details set out below (unless you receive notice from the Security Agent instructing you otherwise):

Instruction

Intermediary Institution
Beneficiary Bank
Account Name
IBAN
Sort Code
Account Number



The instructions in this notice shall remain in full force and effect until the Security Agent gives you notice in writing revoking them.

You may comply with the instructions in this notice without any further permission from us and without any enquiry by you as to the justification for or validity of any instruction. Following the service of an Enforcement Notice, in the event of any conflict between communications received from us and from the Security Agent, you shall treat the communication from the Security Agent as prevailing over the communication from us.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [REDACTED] with a copy to us at n [REDACTED]

Yours faithfully

.....
(Authorised Signatory)
Oakhale Designated Activity Company

.....
(Authorised Signatory)
Beadtrek Limited

.....
(Authorised Signatory)
Oak Haven Properties Limited

.....
(Authorised Signatory)
Firleigh Limited

.....
(Authorised Signatory)
Lardpam Limited

.....
(Authorised Signatory)
Ranmia Limited

.....
(Authorised Signatory)
Alerun Limited

PART 2

ACKNOWLEDGEMENT OF NOTICE

[LETTERHEAD OF CONTRACT COUNTERPARTY]

To: [Security Agent]
[Address]
(as agent and trustee for itself and the
Secured Parties) (the **Security Agent**)

[Date]

Dear Sirs,

DEED OF ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT

We acknowledge receipt of a notice dated [] (the **Notice**) (a copy of which is attached to this letter).

Words and expressions defined in the Notice shall have the same meanings in this letter.

At the request of the Security Agent, the Issuer, the Parent and the PropCos, we confirm by execution of this deed of acknowledgement that:

- (d) by reference to clauses 4.1 and 4.2 of the Framework Agreement, we acknowledge that:
 - (i) the Issuer is raising funding by way of issuing notes to, and receiving new financing from Legal and General Assurance Society Limited, Legal and General Assurance (Pensions Management) Limited, B.S. Pension Fund Trustee Limited acting for British Steel Pension Scheme (**LGIM**) pursuant to a note issuance agreement (**NIA**);
 - (ii) under the respective Security Agreements, the Issuer, Parent and PropCos create security interests in their respective rights under the Contracts to secure their respective obligations to **LGIM** pursuant to the **NIA** and by virtue of the security granted pursuant to the Security Agreements, **LGIM** has an interest in the Contracts;
- (e) we accept the instructions and authorisations in the Notice and undertake to act in accordance with its terms;
- (f) we have not received written notice of any previous assignment, charge, trust, claim or other third party interest or action affecting each Contract and if, we receive any such notice, we shall immediately notify the Security Agent;
- (g) we acknowledge the Security Agent as the New Security Agent (as such term is defined under the Contracts) as contemplated under the terms of each Contract and hereby agree that following the service of an Enforcement Notice (as defined under the **NIA**), the Security Agent shall be entitled to exercise all rights granted or purported to be granted in favour of the New Security Agent under and in accordance with the terms of the Contracts following the service of an Enforcement Notice (as defined under the **NIA**);
- (h) no circumstances exist which would entitle us to exercise any right of set-off or otherwise make any claim or counterclaim under or terminate each Contract.

SIGNATORIES

Chargors

EXECUTED as a DEED by
ALERUN LIMITED
acting by a director

In the presence of:

Witness's signature:

Name: DAVID MILLS

Address: FIFTH FLOOR, LECOMFIELD HOUSE
CURZON ST, LONDON W1J 5JA

EXECUTED as a DEED by
LARDPAM LIMITED
acting by a director

In the presence of:

Witness's signature:

Name: DAVID MILLS

Address: FIFTH FLOOR, LECOMFIELD HOUSE
CURZON ST, LONDON W1J 5JA

EXECUTED as a DEED by
BEADTREK LIMITED
acting by a director

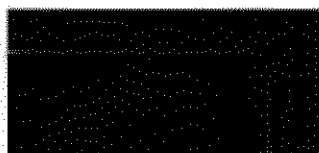
In the presence of:

Witness's signature:

Name: DAVID MILLS

Address: FIFTH FLOOR, LECOMFIELD HOUSE
CURZON ST, LONDON W1J 5JA

EXECUTED as a DEED by
FIRLEIGH LIMITED
acting by a director



In the presence of:



Witness's signature:

Name: DAVID HILLS

Address: FIFTH FLOOR, LECONFIELD HOUSE
CURZON ST, LONDON W1J 5SA

EXECUTED as a DEED by
RANMIA LIMITED
acting by a director



In the presence of:



Witness's signature:

Name: DAVID HILLS

Address: FIFTH FLOOR, LECONFIELD HOUSE
CURZON ST, LONDON W1J 5SA

Security Agent

**EXECUTED as a DEED by
U.S. BANK TRUSTEES LIMITED**

acting by an authorised signatory in the presence of

) **Authorised Signatory**

Edward Hollows
Authorised Signatory

Signature of witness

Chris Yates

Name **Authorised Signatory**

Address **125 Old Broad Street
Fifth Floor
London, EC2N 1AR**