



Registration of a Charge

Company Name: **PRINCIPLE HEALTHCARE INTERNATIONAL LIMITED**

Company Number: **05019943**



Received for filing in Electronic Format on the: **01/10/2021**

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Details of Charge

Date of creation: **23/09/2021**

Charge code: **0501 9943 0009**

Persons entitled: **WILMINGTON TRUST SP SERVICES (FRANKFURT) GMBH**

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: **TAYLOR WESSING LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5019943

Charge code: 0501 9943 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd September 2021 and created by PRINCIPLE HEALTHCARE INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st October 2021 .

Given at Companies House, Cardiff on 4th October 2021

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



Companies House



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

DATED 23 September 2021

**CERTAIN COMPANIES LISTED IN SCHEDULE 1
as Chargors**

**Wilmington Trust SP Services (Frankfurt) GmbH
as Security Agent**

DEBENTURE

**This Deed is entered into subject to the terms of the Intercreditor Agreement
referred to in this Deed.**



Freshfields Bruckhaus Deringer

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THIS DEED is made on **23 September 2021**

BETWEEN:

- (1) **EACH COMPANY** listed in Schedule 1 (*Original Chargors*) as a chargor (each an *Original Chargor*); and
- (2) **WILMINGTON TRUST SP SERVICES (FRANKFURT) GMBH**, a company incorporated under the laws of Germany registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 76380 and with its registered address at Steinweg 3- 5, 60313 Frankfurt am Main, Germany, for itself and as agent and trustee for each of the other Secured Parties (as defined below) (the *Security Agent*).

WHEREAS:

Each Chargor is required to enter into this Deed as a condition of the Finance Documents.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed, unless the context otherwise requires or a contrary indication appears:

- (a) until (and including) the Senior Discharge Date, terms defined in the Intercreditor Agreement or the Facilities Agreement have the same meanings when used in this Deed;
- (b) after the Senior Discharge Date, terms defined in the Intercreditor Agreement (or, if not defined in that document, the Facilities Agreement, notwithstanding the occurrence of the Senior Discharge Date) have the same meanings when used in this Deed; and
- (c) in addition:

Accession Document means a deed of accession substantially in the form set out in Schedule 5 (*Form of Deed of Accession*) (or such other form as the Security Agent and the Company may agree).

Account means a Collection Account or a Blocked Account and, in each case, all Related Rights.

Account Bank means any bank, building society, financial institution or other person with whom an Account is maintained by a Chargor.

Additional Chargor means a person who has acceded to this Deed as an Additional Chargor by executing an Accession Document.

Blocked Account means:

- (i) a Mandatory Prepayment Account and all Related Rights; or
- (ii) any other account of a Chargor specified as a Blocked Account in respect of that Chargor in Part B (*Accounts*) of Schedule 2 (*Security Assets*) or

otherwise designated as a Blocked Account by the Security Agent and all Related Rights,

in each case, as that account may be redesignated, substituted or replaced from time to time and including any subaccount of that account.

CA 2006 means the Companies Act 2006.

Chargor means any Original Chargor or any Additional Chargor.

Collection Account means, in relation to a Chargor:

- (i) any account of that Chargor specified as a Collection Account in Part B (*Accounts*) of Schedule 2 (*Security Assets*) and all Related Rights; or
- (ii) any other account (other than a Blocked Account) maintained or opened by it and all Related Rights,

in each case, as that account may be redesignated, substituted or replaced from time to time and including any subaccount of that account.

Costs and Expenses means any fees, costs, charges, losses, liabilities, expenses and other amounts (including legal, accountants' and other professional fees) and any Taxes thereon.

Default Rate means the rate of interest determined in accordance with clause 11.4 (*Default interest and lump sum damages*) of the Facilities Agreement.

Dissolution means any event or circumstance described in clause 25.7 (*Insolvency proceedings*) of the Facilities Agreement.

Enforcement Event means the occurrence of any Event of Default under Clause 25.1 (*Non-payment*) of the Facilities Agreement or an Event of Default which is continuing in respect of which any notice has been issued or rights exercised by the Facility Agent under clause 25.18 (*Acceleration*) of the Facilities Agreement to the extent not prohibited by the Intercreditor Agreement.

Facilities Agreement means the facilities agreement dated 30 August 2021 between, among others, Euro Vital Pharma Holding GmbH and Wilmington Trust SP Services (Frankfurt) GmbH as Agent and Security Agent.

First Chargor has the meaning given to it in Schedule 1.

Group Liabilities means, in relation to a Chargor, all the Liabilities and all other present and future obligations and liabilities which at any time are, or are expressed to be, or may become, due, owing or payable by any member of the Group and/or any (direct or indirect) Holding Company or Subsidiary of any member of the Group and/or by any Debtor and/or any (direct or indirect) Holding Company or Subsidiary of any Debtor, in each case, to that Chargor, both actual and contingent and whether incurred solely or jointly or severally, and as principal or surety or in any other capacity, including any Intra-Group Liabilities and, in each case, all Related Rights.

IA 1986 means the Insolvency Act 1986.

Insurance Policy means, in relation to a Chargor, any contract or policy of insurance of any kind (other than in relation to third party liabilities, business interruption or similar claims and, for the avoidance of doubt, excluding directors' and officers' insurance policies) in which that Chargor has an interest (including any identified in respect of that Chargor in Part C (*Insurance Policies*) of Schedule 2 (*Security Assets*) (if any)), where a claim under such policy would trigger a mandatory prepayment pursuant to Clause 9 (*Mandatory Prepayment*) of the Facilities Agreement, and all Related Rights.

Intercreditor Agreement means the intercreditor agreement dated 1 September 2021 between, among others, Euro Vital Pharma Holding GmbH as Company and Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent.

LPA 1925 means the Law of Property Act 1925.

LPMPA 1994 means the Law of Property (Miscellaneous Provisions) Act 1994.

Mandatory Prepayment Account means, in relation to a Chargor:

- (i) any account of that Chargor specified as a Mandatory Prepayment Account in Part B (*Accounts*) of Schedule 2 (*Security Assets*) and all Related Rights; or
- (ii) any other account of that Chargor designated as a Mandatory Prepayment Account in accordance with the Finance Documents and all Related Rights.

Monetary Claims means, in relation to a Chargor, any book and other debts and monetary claims of any nature (including any Group Liabilities) due, owing or payable to that Chargor (other than in respect of any Account) and, in each case, all Related Rights.

Obligor means any Obligor as defined in the Facilities Agreement.

Party means a party to this Deed.

Person with Significant Control means, in respect of a company, an individual who meets one or more of the "specified conditions" (within the meaning of section 790C(3) of the CA 2006) in relation to that company, in accordance with section 790C(2) of the CA 2006.

Plant and Machinery means, in relation to a Chargor, any plant and machinery, vehicles, office equipment, computers and other chattels (excluding any forming part of its stock in trade or work in progress) in which that Chargor has an interest and, in each case, all Related Rights.

PSC Register means "PSC register" within the meaning of section 790C(10) of the CA 2006.

Receiver means:

- (i) a receiver and manager or other receiver appointed under this Deed in respect of any Security Asset and shall, if allowed by law, include an administrative receiver; or
- (ii) any delegate or sub-delegate of any person referred to in paragraph (i) above appointed pursuant to the terms of this Deed.

Related Rights means, in relation to any asset:

- (i) all rights under any licence, agreement for sale, agreement for lease or other use or any supplemental or collateral agreement in respect of all or any part of that asset;
- (ii) all rights, easements, powers, benefits, claims, contracts, warranties, remedies, covenants for title, security, guarantees or indemnities in respect of, or appurtenant to, all or any part of that asset;
- (iii) all other assets or rights at any time receivable or distributable in respect of, or in exchange or substitution for, that asset;
- (iv) the proceeds of sale of all or any part of that asset;
- (v) any other monies or proceeds paid or payable in respect of all or any part of that asset; and
- (vi) in respect of any contract, agreement or instrument, any interest in that contract, agreement or instrument, whether or not the relevant Chargor is party to that contract, agreement or instrument.

Relevant Interest means any “relevant interest” (within the meaning of paragraph 2 of Schedule 1B to the CA 2006) in any Chargor or other member of the Group, and includes any Subsidiary Shares held by a Chargor.

Relevant Legal Entity means, in respect of a company, a “legal entity” (within the meaning of section 790C(5) of the CA 2006) that is a “relevant legal entity” (within the meaning of section 790C(6) of the CA 2006) in relation to that company.

Restrictions Notice has the meaning given to “restrictions notice” in paragraph 1(2) of Schedule 1B to the CA 2006 and for the purposes of paragraph 1 of that Schedule.

Second Chargor has the meaning given to it in Schedule 1.

Second Chargor Shares has the meaning given to it in Clause 3.1(a).

Secured Obligations means all the Liabilities and all other present and future obligations and liabilities which at any time are, or are expressed to be, or may become, due, owing or payable by any Debtor to any Secured Party under or in connection with the Finance Documents (including all monies covenanted to be paid under this Deed), both actual and contingent and whether incurred solely or jointly or severally, and as principal or surety or in any other capacity.

Secured Parties has the meaning given to it in the Intercreditor Agreement.

Security Assets means all the assets and undertakings of each Chargor from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) pursuant to this Deed.

Subsidiary Shares has the meaning given to it in Clause 3.1(b) and includes all Related Rights.

TA 2000 means the Trustee Act 2000.

Third Chargor has the meaning given to it in Schedule 1.

Third Chargor Shares has the meaning given to it in Clause 3.1(b).

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

Transaction Security means the security interests constituted, created or evidenced (or expressed to be constituted, created or evidenced) in favour of the Security Agent (whether on its own account or as agent or trustee for the Secured Parties) under this Deed or any other Transaction Security Document.

Transaction Security Documents has the meaning given to it in the Facilities Agreement.

UK Chargor has the meaning given to it in Schedule 1.

Voting Event means, in relation to particular Subsidiary Shares, the service of a notice by the Security Agent on any Chargor on or following the occurrence of an Enforcement Event, specifying that control over the voting rights attaching to the relevant Subsidiary Shares specified in that notice are to pass to the Security Agent.

Warning Notice has the meaning given to “warning notice” in paragraph 1(2) of Schedule 1B to the CA 2006 and for the purposes of paragraph 1 of that Schedule.

1.2 Construction

- (a) Unless the context otherwise requires or a contrary indication appears in this Deed, the provisions of clause 1.2 (*Construction*) of the Facilities Agreement shall apply to this Deed as if set out in full in this Deed except that references to “this Agreement” shall be construed as references to this Deed and:
- (i) **assets** includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
 - (ii) **authorisation** or **consent** includes any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
 - (iii) a **company** includes any company, corporation or other body corporate, wherever and however incorporated or established;
 - (iv) this **Deed** or any other **Finance Document** or any other agreement, document or instrument, or any rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, is a reference to this Deed or other Finance Document or other agreement, document or instrument, or rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, in each case, as it may have been varied, amended, supplemented, replaced, extended, restated or novated from time to time and includes a reference to any document which varies, amends, supplements, replaces, extends, restates, novates or is entered into, made or given pursuant to, or in accordance with, any of the terms of this Deed or, as the case may be, the relevant Finance Document or agreement, document or instrument, or the relevant rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system;

- (v) ***include*** or ***including*** shall be construed without limitation;
 - (vi) ***law*** includes any present or future common or customary law, principle of equity, and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, by-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (vii) a ***nominee*** includes any nominee or custodian;
 - (viii) a ***person*** includes any individual, firm, company, government, state or agency of a state, local or municipal authority, trust, association, joint venture, consortium, partnership or other entity (in each case, whether or not having separate legal personality);
 - (ix) ***qualified person*** means a person who, under the IA 1986, is qualified to act as a receiver of any asset of any company with respect to which he/she is appointed or an administrative receiver of that company;
 - (x) ***rights*** includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of every kind, and whether present, future or contingent); and
 - (xi) ***security*** includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind, in each case, having the effect of securing any obligation of any person (including the deposit of monies or property with a person with the intention of affording that person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any “flawed asset” or “hold back” arrangement), and ***security interest*** shall be construed accordingly.
- (b) Unless the context otherwise requires or a contrary indication appears:
- (i) a reference in this Deed to a Security Asset includes:
 - (A) any part of that Security Asset;
 - (B) any proceeds of that Security Asset; and
 - (C) any present and future assets of the same type as that Security Asset;
 - (ii) in this Deed a defined term includes its other cognate forms;
 - (iii) where this Deed refers to any provision of any other Finance Document and that Finance Document is amended in a manner that would result in that

reference being incorrect, this Deed shall be construed so as to refer to that provision as renumbered in the amended Finance Document.

- (c) The terms of the other Finance Documents and of any side letters relating to the Finance Documents are incorporated in this Deed to the extent required for any contract for the purported disposition of any Security Asset contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) The fact that the details of any asset in any Schedule are incorrect or incomplete shall not affect the validity or enforceability of this Deed in respect of any asset of any Chargor.
- (e) References in this Deed to a **Clause** or **Schedule** are to a clause of, or schedule to, this Deed.
- (f) Where the terms of this Deed permit a Chargor to exercise a right or remedy under or in respect of any Security Asset which has been assigned to the Security Agent under the terms of this Deed, that Chargor does so with the limited authority of the Security Agent pursuant to the terms of this Deed and the Parties do not intend such limited authority to prevent, prejudice or impair any such assignment to the Security Agent from satisfying in full all of the conditions set out in section 136 of the LPA 1925. Further, the Parties intend that such assignments are made on terms which satisfy in full all of those conditions.

1.3 Trustee Act 1925 and Trustee Act 2000

- (a) Section 1 of the TA 2000 shall not apply to any function of the Security Agent. Where there are any inconsistencies between the Trustee Act 1925 or the TA 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the TA 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of the TA 2000.
- (b) The Security Agent may retain or invest in securities payable to bearer without appointing a person to act as a custodian.
- (c) Sections 22 and 23 of the TA 2000 shall not apply to this Deed.

1.4 Third parties

- (a) Except as otherwise expressly provided in this Deed, the terms of this Deed may be enforced only by a Party and the operation of the Third Parties Act is excluded.
- (b) Notwithstanding any term of this Deed and subject to clause 25 (*Consents, amendments and override*) of the Intercreditor Agreement, no consent of a third party is required to rescind, terminate or amend this Deed.

1.5 Distinct security and trusts

- (a) All Transaction Security, and any trust created or expressed to be created under this Deed, shall be construed as creating separate and distinct security, or a separate and distinct trust, over each relevant asset within any particular class of assets defined or referred to in this Deed. The failure to create effective security, or an effective trust,

whether arising out of any provision of this Deed, any act or omission by any person, the existence of any Restrictions Notice in respect of any Relevant Interest or otherwise, over any one such asset shall not affect the nature or validity of the security, or any trust, imposed on any other such asset, whether within that same class of assets or otherwise.

- (b) The existence of a Restrictions Notice in respect of any Relevant Interest, or the Transaction Security or any trust created or expressed to be created under this Deed being or becoming unenforceable or failing to take effect (in each case, temporarily or otherwise) over any asset defined or referred to in this Deed, whether arising out of any provision of this Deed, any act or omission by any person or otherwise, shall not affect the nature or validity of the Transaction Security, or any such trust, imposed on any other asset defined or referred to in this Deed, whether within the same class of assets as the Relevant Interest or other relevant asset or otherwise.

1.6 Chargor intent

Without prejudice to the generality of any other provision of this Deed, each Chargor expressly confirms that it intends that this Deed and the Transaction Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any present or future facility or amount made available under any of the Finance Documents, including for the purposes of, or in connection with, any of the following: business acquisitions of any nature; increasing the commitments under any Finance Document; increasing the indebtedness (including adding a new facility) under any Finance Document; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any Costs and Expenses associated with any of the foregoing.

1.7 Implied covenants for title

Without prejudice to Clause 6 of this Deed, the obligations of each Chargor under this Deed are in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the LPMPA 1994.

1.8 Inconsistency between this Deed and the Intercreditor Agreement

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Intercreditor Agreement, the provision of the Intercreditor Agreement shall prevail.

2. COVENANT TO PAY

- (a) Each Chargor shall, as primary obligor and not merely as surety, pay or discharge on demand all of the Secured Obligations when they become due in the manner provided for in the relevant Finance Document.
- (b) Each Chargor confirms to the Security Agent that the amount secured by this Deed is the full amount of the Secured Obligations.

3. CREATION OF SECURITY

3.1 Subsidiary Shares

- (a) The First Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to its ordinary shares in the share capital of the Second Chargor, as set out in Part A of Schedule 2 (*Security Assets*) (the *Second Chargor Shares*).
- (b) The Second Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to its ordinary shares in the share capital of the Third Chargor, as set out in Part A of Schedule 2 (*Security Assets*) (the *Third Chargor Shares*, together with the *Second Chargor Shares*, the *Subsidiary Shares*).

3.2 Plant and Machinery

Each UK Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to its Plant and Machinery.

3.3 Accounts

- (a) Each UK Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Accounts and any amount standing to the credit of, and the debt represented by, each such Account.
- (b) Notwithstanding Clause 3.3(a) above, no UK Chargor shall be required to grant security over an Account which is used for the incoming and outgoing payments in connection with a Permitted Factoring.

3.4 Monetary Claims

Each UK Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Monetary Claims.

3.5 Insurance Policies

- (a) Each UK Chargor assigns by way of security absolutely to the Security Agent, subject to a proviso for reassignment in accordance with Clause 5 (*Release and reassignment*), all its present and future right, title and interest in and to each of its Insurance Policies.
- (b) To the extent not effectively assigned under paragraph (a) above, each UK Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Insurance Policies.

3.6 Floating charge

- (a) To the extent that any security purported to be granted pursuant to Clauses 3.1 to 3.5 (inclusive) is not effectively granted, each Chargor charges by way of a first floating charge in favour of the Security Agent all assets over which security is purported to be granted pursuant to Clauses 3.1 to 3.5, together with all Related Rights.

- (b) The floating charge created by each Chargor pursuant to paragraph (a) above shall be without prejudice to, and shall rank behind, all Transaction Security that is a mortgage, an assignment or a fixed charge, but shall rank in priority to any other security interest created by any Chargor after the date of this Deed.
- (c) The floating charge created by each Chargor pursuant to paragraph (a) above is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the IA 1986. Paragraph 14 of Schedule B1 to the IA 1986 shall apply to this Deed.

4. CONVERSION OF FLOATING CHARGE

4.1 Automatic conversion

The floating charge created pursuant to paragraph (a) of Clause 3.6 (*Floating Charge*) shall (in addition to the circumstances in which the same will occur under general law) automatically and immediately be converted into a fixed charge over each Chargor’s relevant assets, rights and property not already subject to an effective fixed charge if:

- (a) any Chargor takes any step to create any security in breach of Clause 7.1 (*Restriction on dealings*) over any of the Security Assets subject to that floating charge;
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress, execution or other legal process against any of the Security Assets which is not discharged within five Business Days subject to that floating charge; or
- (c) any Dissolution occurs,

and, in each case, the conversion shall take effect from the instant before the occurrence of that event.

4.2 Conversion by notice

The Security Agent may by notice in writing to a Chargor convert the floating charge created by that Chargor pursuant to paragraph (a) of Clause 3.6 (*Floating Charge*) with immediate effect into one or more fixed charges over that Chargor’s relevant assets, rights and property specified in that notice if:

- (a) an Enforcement Event has occurred;
- (b) the Security Agent (acting reasonably) considers any Security Asset subject to that floating charge 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; or
- (c) the Security Agent considers that such conversion is necessary in order to protect the value of any Security Asset or the priority of the Transaction Security.

4.3 Moratorium – floating charge

The floating charge created pursuant to paragraph (a) of Clause 3.6 (*Floating Charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 1986.

4.4 Reconversion to floating charge

Any floating charge which has crystallised under Clause 4.1 (*Automatic conversion*) or Clause 4.2 (*Conversion by notice*) may, by notice in writing given at any time by the Security Agent to the relevant Chargor, be reconverted into a floating charge under paragraph (a) of Clause 3.6 (*Floating Charge*) in relation to the assets, rights and property specified in that notice. The conversion to a fixed charge and reconversion to a floating charge (or the converse) may occur any number of times.

4.5 No waiver

The giving by the Security Agent of a notice under Clause 4.2 (*Conversion by notice*) in relation to any asset shall not be construed as a waiver or abandonment of the Security Agent's rights to serve any notice in respect of any other asset or of any other right of any Secured Party under this Deed or any other Finance Document.

5. RELEASE AND REASSIGNMENT

- (a) Subject to paragraph (e) of Clause 6 (Provisions relating to Transaction Security) and provided that, at the time of the request, no Enforcement Event has occurred, promptly after the Senior Discharge Date, the Security Agent shall, at the request and cost of the Company:
- (i) release and reassign to the relevant Chargor its rights, title and interest in and to the Security Assets;
 - (ii) execute such notices and directions to any persons as the relevant Chargor may reasonably require in order to give effect to that release and reassignment; and
 - (iii) return all documents and deeds of title delivered to it under this Deed,
- in each case, without recourse to or any representation or warranty by any Secured Party or any other person.
- (b) Notwithstanding anything contained in this Deed or implied to the contrary, there shall be an automatic release of Transaction Security over any asset which is disposed of in accordance with Clause 24 (*General Undertakings*) of the Facilities Agreement.

6. PROVISIONS RELATING TO TRANSACTION SECURITY

- (a) All Transaction Security:
- (i) is created in favour of the Security Agent for itself and on behalf of each of the other Secured Parties;
 - (ii) is created free from any security interest (other than any Transaction Security or any Permitted Security);
 - (iii) is created over the relevant present and future assets of each Chargor; and
 - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all amounts payable under the Finance Documents and subject to Clause 5, shall remain

in full force and effect until the Senior Discharge Date. No part of the Transaction Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

- (b) If a Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a *restricted asset*) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a *Restrictive Contract*) binding on that Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group, any Affiliate of any member of the Group, or any Affiliate or Related Entity, each a *counterparty*) has not been obtained, then:
 - (i) that Chargor shall notify the Security Agent of the same immediately;
 - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;
 - (iii) unless the Security Agent otherwise requires, that Chargor shall use its reasonable endeavours to obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Security Agent; and
 - (iv) on and from the date on which that Chargor obtains the consent of each relevant counterparty, to the extent applicable, that restricted asset shall become subject to a mortgage, an assignment or a fixed charge in favour of the Security Agent under each provision of Clause 3 (*Creation of Security*) which applies to the class of asset corresponding to that restricted asset.
- (c) The Security Agent holds the benefit of this Deed and the Transaction Security on trust for itself and each of the other Secured Parties from time to time on the terms of the Intercreditor Agreement.
- (d) The Transaction Security created pursuant to this Deed by each Chargor is made with full title guarantee under the LPPMA 1994.
- (e) If the Security Agent reasonably considers that any payment, security or guarantee provided to it or any other Secured Party under or in connection with any Finance Document is capable of being avoided, reduced or invalidated by virtue of any applicable law, notwithstanding any reassignment or release of any Security Asset, the liability of each Chargor under this Deed and the Transaction Security shall continue as if those amounts had not been paid or as if any such security or guarantee had not been provided.
- (f) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed:
 - (i) shall be complied with at all times during the period commencing on the date of this Deed and ending on the Senior Discharge Date; and
 - (ii) is given by that Chargor for the benefit of the Security Agent and each other Secured Party.

- (g) Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform, and shall observe and perform, all conditions and obligations assumed by it in relation to any of its Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.
- (h) If any Security Asset of any Chargor is held by any person (including any nominee) on behalf of that Chargor, that Chargor shall procure that any such person performs the obligations of that Chargor in respect of that Security Asset under this Deed.

7. RESTRICTION ON DEALINGS

7.1 Restriction on dealings

No Chargor shall:

- (a) create or permit to subsist any security or Quasi-Security on any of the Security Assets; or
- (b) (whether by a single transaction or a number of related or unrelated transactions and whether voluntarily or involuntarily) assign, charge, lease, transfer or otherwise dispose of all or any part of its right, title and interest in and to any Security Asset,

unless permitted to do so under the Facilities Agreement.

7.2 Moratorium – disposals

The obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 1986 shall not, by itself, cause restrictions in this Deed or any other Finance Document that would not otherwise apply to be imposed on the disposal of property by any Chargor.

8. REPRESENTATIONS AND WARRANTIES

8.1 General representations and warranties

Each Chargor represents and warrants to each Secured Party that:

- (a) it is the sole legal and beneficial owner of, and absolutely entitled to, the assets that it purports to mortgage, charge or assign under this Deed (other than, where relevant, in respect of the legal ownership of any of its Subsidiary Shares registered in the name of its nominee or in the name of the Security Agent (or the Security Agent's nominee) pursuant to this Deed);
- (b) it has not mortgaged, charged or assigned or otherwise encumbered or disposed of any of the assets that it purports to mortgage, charge or assign under this Deed, in each case, other than as expressly permitted under this Deed and the Facilities Agreement;
- (c) the assets that it purports to mortgage, charge or assign under this Deed are free from any security, Quasi-Security or option to purchase or similar right, in each case, other than as expressly permitted under this Deed and the Facilities Agreement;
- (d) its Security Assets exist; and

- (e) no instrument, document, agreement or arrangement to which any Chargor is a party contains any prohibition on the creation, perfection or enforcement (or purported creation, perfection or enforcement) of any Transaction Security (including any transfer of title in any Security Asset pursuant to any such enforcement), and the entry into and performance by each Chargor of its obligations under this Deed do not conflict with any term of any instrument, document, agreement or arrangement to which it is a party.

8.2 Times for making representations and warranties

The representations and warranties set out in this Deed (including in Clause 8.1 (*General representations and warranties*), Clause 9.1 (*Representations and warranties – Subsidiary Shares*) and Clause 12.1 (*Representations and warranties – Insurance Policies*) are:

- (a) made by each Chargor on the date of this Deed (or the date on which that Chargor accedes to this Deed); and
- (b) (unless expressed to be given at a specific date) deemed to be repeated by each Chargor on each date before the Senior Discharge Date on which any of the representations and warranties set out in clause 21 (*Representations*) of the Facilities Agreement are repeated,

in each case by reference to the circumstances existing at that time.

9. SUBSIDIARY SHARES

9.1 Representations and warranties – Subsidiary Shares

Each of the First Chargor and the Second Chargor represents and warrants to each Secured Party that:

- (a) it has not nominated any person (other than the Security Agent or the Security Agent's nominee) to enjoy or exercise any right relating to those Subsidiary Shares pursuant to Part 9 of the CA 2006 or otherwise;
- (b) subject to the Legal Reservations and Perfection Requirements, it has obtained any requisite authorisations or consents to the entry into by it of this Deed and to the grant of a fixed charge over those Subsidiary Shares;
- (c) there is nothing in its constitutional documents or any instrument, document, agreement or arrangement to which it is a party or otherwise which restricts or prohibits its entry into, or the performance by it of its obligations under, this Deed or which would impede or impair any right or remedy of the Security Agent under or in respect of this Deed, including in respect of the perfection of any transfer of any Subsidiary Shares;
- (d) it is in compliance with its obligations under the CA 2006 and any associated law (and has complied with those obligations within any necessary timeframes) and has complied with the terms of any notice that it has received under section 790D or 790E of the CA 2006 within the timeframe specified in that notice;
- (e) it has not received a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group;

- (f) it has not issued a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group; and
- (g) the copy of its PSC Register that was delivered to the Facility Agent on the Closing Date:
 - (i) is correct, complete and in full force and effect;
 - (ii) has not been amended or superseded since that date; and
 - (iii) sets out the “required particulars” (within the meaning of section 790K of the CA 2006) and any other information prescribed under Part 21A of the CA 2006 (including section 790M) and/or any associated law, in each case, in relation to all of the Relevant Legal Entities and Persons with Significant Control that are “registrable” (within the meaning of section 790C(4) or section 790C(8), as applicable) in respect of that Chargor (or that other member of the Group) as at that date in accordance with Part 21A of the CA 2006, subject to the 14 day period set out in sections 790M(2), (5), (6), (6A) and (7A) of the CA 2006.

9.2 Perfection – Subsidiary Shares

The First Chargor and the Second Chargor shall, promptly and in any event within 5 Business Days of the date of this Deed, deposit with the Security Agent, or as the Security Agent may direct:

- (a) all share certificates and other documents of title or evidence of ownership of the relevant Subsidiary Shares;
- (b) all stock transfer forms relating to those Subsidiary Shares duly completed and executed by or on behalf of the relevant Chargor but with the name of the transferee, the consideration and the date left blank; and
- (c) any other documents (in each case duly completed and executed by or on behalf of the relevant Chargor) that the Security Agent may request to enable it, or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain legal title to, or to perfect its security interest in any of the Subsidiary Shares,

so that the Security Agent may, on and after an Enforcement Event, complete and present those stock transfer forms and other documents to the issuer of the Subsidiary Shares for registration.

9.3 Changes to Subsidiary Shares

Other than as expressly permitted under the Facilities Agreement, no Chargor shall take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which:

- (a) may result in the rights attaching to, in respect of or conferred by any Subsidiary Shares being altered in a manner which is adverse to the interests of the Secured Parties;

- (b) may prejudice the value of any Subsidiary Shares or the ability of the Security Agent to realise the Transaction Security in respect of those Subsidiary Shares; or
- (c) is otherwise inconsistent with the terms of any Finance Document.

9.4 Rights before Voting Event or Enforcement Event

Subject to Clause 9.3 (*Changes to Subsidiary Shares*):

- (a) before the occurrence of a Voting Event:
 - (i) each Chargor may continue to exercise the voting rights, powers and other rights in respect of its Subsidiary Shares; and
 - (ii) if any Subsidiary Shares of a Chargor have been registered in the name of the Security Agent (or the Security Agent's nominee), the Security Agent (or its nominee, as applicable) shall exercise the voting rights, powers and other rights in respect of those Subsidiary Shares in such manner as that Chargor may direct in writing from time to time,

and voting power (for the purposes of section 435(10) of the IA 1986) in respect of any Subsidiary Shares of any Chargor shall remain with that Chargor and shall not pass to the Security Agent or any other Secured Party; and

- (b) before the occurrence of an Enforcement Event, each Chargor shall be entitled to receive and retain all dividends and other income and distributions paid or payable in relation to its Subsidiary Shares.

9.5 Rights after Voting Event or Enforcement Event

- (a) On and after the occurrence of a Voting Event:
 - (i) the Security Agent (or its nominee) may exercise (or refrain from exercising) any voting rights, powers and other rights in respect of any Subsidiary Shares of any Chargor as it sees fit and without any further consent or authority on the part of any Chargor; and
 - (ii) each Chargor irrevocably appoints the Security Agent (or the Security Agent's nominee) as its proxy to exercise all voting rights, powers and other rights in respect of its Subsidiary Shares with effect from the occurrence of that Voting Event to the extent that those Subsidiary Shares remain registered in that Chargor's name (or that of its nominee).
- (b) On and after the occurrence of an Enforcement Event:
 - (i) subject to paragraph (a) above, each Chargor shall comply with or procure the compliance with any directions of the Security Agent (or the Security Agent's nominee) in respect of any Chargor's Subsidiary Shares; and
 - (ii) each Chargor shall hold all dividends and other income and distributions paid or payable in respect of its Subsidiary Shares on trust for the Security Agent, pending payment to the Security Agent for application in accordance with Clause 19 (*Application of Proceeds*), and each Chargor waives its rights to any such amounts.

9.6 Other obligations relating to Subsidiary Shares

- (a) At any time when any Subsidiary Shares of a Chargor have been registered in the name of the Security Agent (or the Security Agent's nominee), the Security Agent (or its nominee, as applicable) shall not be under any duty to:
- (i) ensure that any dividends or other income or distributions paid or payable in respect of those Subsidiary Shares are duly and promptly paid or received by it (or its nominee);
 - (ii) verify that the correct amounts are paid or received by it (or its nominee); or
 - (iii) take any action in connection with the taking up of any (or any offer of any) stock, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of those Subsidiary Shares.
- (b) Each Chargor shall indemnify the Security Agent (or the Security Agent's nominee, as applicable) against any loss or liability incurred by the Security Agent (or its nominee) as a consequence of the Security Agent (or its nominee) acting at the direction of a Chargor in respect of any of its Subsidiary Shares (unless such loss or liability is caused by its gross negligence or wilful misconduct).
- (c) Each Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Subsidiary Shares.
- (d) No Chargor shall nominate any person, other than the Security Agent (or the Security Agent's nominee), to enjoy or exercise any right relating to any of its Subsidiary Shares whether pursuant to Part 9 of the CA 2006 or otherwise.
- (e) Immediately following the receipt by any Chargor (or, in each case, its nominee) of:
- (i) any notice issued under section 790D or 790E of the CA 2006 or any Warning Notice or Restrictions Notice issued under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group;
 - (ii) any other notice in respect of any Subsidiary Shares; or
 - (iii) any correspondence or other communication in respect of any Subsidiary Shares or any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group (in each case, including any request referred to in paragraph (h)(iii) below),
- that Chargor shall notify the Security Agent of that receipt and promptly provide to the Security Agent a copy of that notice, correspondence or other communication.
- (f) Without prejudice to paragraph (f) of Clause 9.1 (*Representations and warranties – Subsidiary Shares*), each Chargor shall:
- (i) notify the Security Agent of its intention to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in

respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group; and

- (ii) provide to the Security Agent a copy of that Warning Notice or Restrictions Notice,

in each case, at least five Business Days before that Chargor issues the Warning Notice or Restrictions Notice.

- (g) Without prejudice to paragraph (g) of Clause 9.1 (*Representations and warranties – Subsidiary Shares*), each Chargor shall promptly:

- (i) notify the Security Agent of any change that it makes to its PSC Register (if it is required to maintain one); and
- (ii) provide to the Security Agent a copy of its updated PSC Register (if it is required to maintain one) in form and substance satisfactory to the Security Agent,

in each case, promptly following the making of the change.

- (h) Each Chargor shall:

- (i) comply with its obligations under the CA 2006 and any associated law within any necessary timeframes;
- (ii) comply with the terms of any notice that it receives under section 790D or 790E of the CA 2006 within the timeframe specified in that notice; and
- (iii) comply with any other request for information that it receives in respect of any Subsidiary Shares or any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, or that is made under any law or regulation or by any listing or other authority or pursuant to any provision contained in any articles of association or other constitutional document, in each case, within the timeframe specified in that request or any other necessary timeframe,

and, in respect of paragraphs (h)(ii) and (h)(iii) above, promptly following compliance with the notice or request, that Chargor (and the Company shall procure that such other member of the Group) shall provide to the Security Agent a copy of its response to that notice or request.

- (i) Notwithstanding paragraph (f) above, no Chargor shall exercise its right to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, unless it is required to do so under applicable law and, if it is so required, it shall, in issuing the Warning Notice or Restrictions Notice:

- (i) have regard to the interests of the Secured Parties; and
- (ii) use reasonable endeavours to preserve the rights and remedies of the Secured Parties.

- (j) No Chargor shall (and the Company shall procure that no other member of the Group shall) make any application (or similar) to the court under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group without the Security Agent's consent.
- (k) Each Chargor (and the Company shall procure that each other member of the Group) shall actively assist the Security Agent with any application (or similar) to the court that it makes under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, and provide the Security Agent with all information, documents and evidence that it may reasonably request in connection with the same.
- (l) Each Chargor authorises the Security Agent to:
 - (i) comply with the terms of any notice that the Security Agent receives under section 790D of the CA 2006; and
 - (ii) (on behalf of that Chargor) respond to:
 - (A) any notice that such Chargor receives under section 790D or 790E of the CA 2006, where that Chargor fails to comply with the terms of that notice within the timeframe specified in that notice; and
 - (B) any request referred to in paragraph (h)(iii) above received by that Chargor, where that Chargor fails to comply with the terms of that request within the timeframe specified in that request or any other necessary timeframe,

and each Chargor waives any breach of clause 39 (*Confidential Information*) of the Facilities Agreement that may occur as a result of the Security Agent taking any action under this paragraph (l).

9.7 Default – Subsidiary Shares

- (a) If any Chargor fails to make payment of any calls or other payments that may be or become due in respect of any of its Subsidiary Shares, the Security Agent (or the Security Agent's nominee) may make such payment on behalf of that Chargor.
- (b) Each Chargor shall immediately on demand by the Security Agent reimburse the Security Agent (or the Security Agent's nominee, as applicable) for all Costs and Expenses incurred by the Security Agent (or its nominee) in connection with any payment made under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed, provided that there is no double recovery with similar costs in the Facilities Agreement.

10. PLANT AND MACHINERY

10.1 General obligations relating to Plant and Machinery

- (a) Where failure to do so would have a Material Adverse Effect, each UK Chargor shall keep its Plant and Machinery in good repair and in good working order and condition.

- (b) Each UK Chargor that holds any interest in any Plant and Machinery that is located on leasehold premises shall, on and after the occurrence of an Enforcement Event, use reasonable endeavours to ensure that the lessor of those premises provides written confirmation that it waives absolutely all rights that it may have at any time in respect of that Plant and Machinery.

10.2 Evidence of Transaction Security

Each UK Chargor shall take any action which the Security Agent may require to evidence the Transaction Security created over its Plant and Machinery pursuant to this Deed, including prominently affixing a nameplate on any of its material Plant and Machinery stating that:

- (a) such Plant and Machinery is charged in favour of the Security Agent; and
- (b) such Plant and Machinery must not be disposed of without the prior written consent of the Security Agent unless permitted under the Facilities Agreement.

11. ACCOUNTS

11.1 No other Accounts and preservation

- (a) No UK Chargor shall have any Accounts other than in accordance with the Facilities Agreement.
- (b) Each UK Chargor shall take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its Accounts, provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents.

11.2 Notice – Accounts

- (a) Each UK Chargor shall deliver to the Security Agent on the date of this Deed (or, in respect of any Account opened or change occurring after the date of this Deed, within 5 Business Days from the date of opening of that Account or within 5 Business Days of that change), details of any Account maintained by it (unless those details are set out in Part B (*Accounts*) of Schedule 2 (*Security Assets*) or any schedule to any Accession Document). Such details shall include the name of the Account Bank with whom each Account is maintained, together with the account number, sort code and description of that Account.
- (b) Subject to the provisions of Clause 11.2(c) below, each UK Chargor shall within five Business Days after the date of this Deed (or, in respect of any Account opened after the date of this Deed, within five Business Days after the date of opening of that Account):
 - (i) give notice to each Account Bank substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*); and
 - (ii) use reasonable endeavours to ensure that the Account Bank delivers to the Security Agent a duly completed acknowledgment of that notice substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*) within 20 Business Days after which the obligation as set out in this Clause 11.2(b) on that UK Chargor will cease.

- (c) Notwithstanding Clause 11.2(b) above, where the service of notice to an Account Bank by a Chargor would prevent that Chargor from using an Account (which is not a Blocked Account) in the ordinary course of trading, that Chargor shall not be required to serve such notice until the occurrence of an Enforcement Event.
- (d) The entry into this Deed by the Parties shall constitute written notice to the Security Agent and acknowledgment by the Security Agent of that notice, in each case, substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*), of any charge created pursuant to this Deed over any Account maintained by any UK Chargor with the Security Agent on the date of this Deed.

11.3 Change of Account Bank

- (a) An Account Bank may only be changed with the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed).
- (b) The change shall only become effective if the proposed new Account Bank agrees to fulfil the role of Account Bank in accordance with the terms of this Deed.
- (c) Upon a change of Account Bank becoming effective, the net amount (if any) standing to the credit of any Account maintained with the old Account Bank shall be promptly transferred to a corresponding Account maintained with the new Account Bank.
- (d) Each UK Chargor shall take such action as the Security Agent may reasonably require to facilitate a change of Account Bank and any transfer of credit balances and irrevocably appoints the Security Agent as its attorney to take any such action in the event it fails to do so.

11.4 Collection Accounts

- (a) Each UK Chargor shall:
 - (i) collect and realise its Monetary Claims in the ordinary course of its business and pay the proceeds of those Monetary Claims into a Collection Account immediately upon receipt (and those proceeds shall be held upon trust by that Chargor for the Security Agent until that payment); and
 - (ii) not factor, discount or otherwise deal with its Monetary Claims other than as provided for in paragraph (i) above (or enter into any agreement for that factoring, discounting or dealing),

in each case, other than as permitted by the Facilities Agreement.
- (b) Before the occurrence of an Enforcement Event, each UK Chargor shall, in the ordinary course of its business and to the extent not prohibited under the Facilities Agreement, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Collection Account.
- (c) On and after the occurrence of an Enforcement Event:
 - (i) no UK Chargor shall be entitled to receive, withdraw or otherwise transfer the proceeds of collection or realisation of any Monetary Claims standing to the credit of any Collection Account or any other credit balance on any

Collection Account without the prior written consent of the Security Agent;
and

- (ii) each UK Chargor shall promptly give written notice to the debtors in respect of any Monetary Claims in such form as the Security Agent may require. The entry into this Deed by each UK Chargor shall constitute written notice to that Chargor (and acknowledgment by it of the same) of any charge created pursuant to this Deed over any Monetary Claims owed by that Chargor to any other Chargor on the date of this Deed.

11.5 Blocked Accounts

- (a) No UK Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance at any time on any Blocked Account without the prior written consent of the Security Agent.
- (b) If a UK Chargor proposes to withdraw monies from a Blocked Account before the occurrence of an Enforcement Event:
 - (i) at least three Business Days before the proposed withdrawal date, it shall notify the Security Agent and certify the purpose for which the relevant funds are to be applied;
 - (ii) the Security Agent shall agree to the proposed withdrawal if it is satisfied that the monies to be withdrawn are permitted to be withdrawn under, and will be applied in accordance with, the terms of the Facilities Agreement; and
 - (iii) if it is so satisfied, the Security Agent shall confirm to the relevant Account Bank that the proposed withdrawal is permitted.
- (c) No UK Chargor shall, or shall purport to, without the Security Agent's prior written consent, permit or agree to any variation of the rights attaching to any Blocked Account or close any Blocked Account.

11.6 Exercise of rights on Enforcement Event

On and after the occurrence of an Enforcement Event:

- (a) any permission to use amounts withdrawn from any Account (whether pursuant to this Deed or otherwise) is expressly revoked and each UK Chargor shall hold those amounts, together with the proceeds of any of its Monetary Claims, on trust for the Security Agent, pending payment to the Security Agent for application in accordance with Clause 19 (*Application of Proceeds*), and each UK Chargor waives its rights to any such amounts; and
- (b) the Security Agent shall be entitled without notice to any Chargor to receive, withdraw, apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 19 (*Application of Proceeds*).

12. INSURANCE POLICIES

12.1 Representations and warranties – Insurance Policies

Each UK Chargor represents and warrants to each Secured Party that:

- (a) none of its Insurance Policies has been amended, terminated, rescinded or revoked (in whole or in part) as of the date of this Deed; and
- (b) none of its Insurance Policies contains any prohibition on assignment, or granting security in respect of any right or remedy under any such Insurance Policy, and the entry into and performance by it of this Deed do not conflict with any term of any of its Insurance Policies.

12.2 Notice – Insurance Policies

- (a) Each UK Chargor shall deliver to the Security Agent on the date of this Deed (or, in respect of any Insurance Policy entered into or change occurring after the date of this Deed, on the date of entry into that Insurance Policy or that change), details of each of its Insurance Policies (unless those details are set out in Part C (*Insurance Policies*) of Schedule 2 (*Security Assets*) or any schedule to any Accession Document). Such details shall include the name of the insurer in respect of each Insurance Policy, together with the policy number and description of that Insurance Policy.
- (b) Each UK Chargor shall within five Business Days after the date of this Deed (or, in respect of any Insurance Policy entered into after the date of this Deed, within five Business Days after the date of entry into that Insurance Policy):
 - (i) give notice to each insurer or insurance broker (as applicable) substantially in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*); and
 - (ii) use reasonable endeavours to ensure that such insurer or insurance broker (as applicable) delivers to the Security Agent a duly completed acknowledgment of that notice substantially in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*) within 20 Business Days, after which the obligation as set out in this Clause 12.2(b) on that UK Chargor will cease.

12.3 Other obligations relating to Insurance Policies

- (a) Each UK Chargor shall:
 - (i) take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its Insurance Policies (as if those rights and remedies had not been assigned to the Security Agent under this Deed), provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents;
 - (ii) keep the Security Assets insured in accordance with the terms of the Facilities Agreement;
 - (iii) without prejudice to the generality of any other provision of this Clause 12 and without limiting any assignment under this Deed:

- (A) promptly pay all premiums and other monies payable under or in connection with any of its Insurance Policies and supply to the Security Agent a copy of each of its Insurance Policies and evidence reasonably satisfactory to the Security Agent of the payment of those amounts; and
 - (B) not take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which might render any of its Insurance Policies void, voidable or unenforceable; and
- (iv) subject to Clause 12.5 (*Exercise of rights on Enforcement Event*), if required pursuant to the Facilities Agreement, pay all amounts that it receives under or in connection with any of its Insurance Policies into a Blocked Account, pending application in accordance with the Facilities Agreement, and until that payment that Chargor shall hold those amounts on trust for the Security Agent.
- (b) Without limiting any assignment under this Deed, no UK Chargor shall, or shall purport to, amend or waive any term of, or terminate, any of its Insurance Policies (or agree to do so) unless permitted by the Facilities Agreement or where appropriate replacement Insurance Policies are put in place and are subject to the security granted pursuant to Clause 3.5 of this Deed.
- (c) Before the occurrence of an Enforcement Event but subject to the other provisions of this Clause 12.3, each UK Chargor shall be entitled to exercise all of the rights and remedies expressed to be given to it under or in respect of its Insurance Policies and any associated rights and remedies as agent of the Security Agent (its assignee). In all other respects the relevant Chargor shall act as principal in its dealings with third parties (including the relevant insurer or insurance broker, as applicable) and shall not commit the Security Agent to any contractual relationship with, or any contractual, tortious or other liability to, any third party (including the relevant insurer or insurance broker, as applicable).

12.4 Default – Insurance Policies

- (a) If any UK Chargor fails to comply with any provision of this Clause 12, the Security Agent may effect or renew any Insurance Policy on such terms, in such name(s) and in such amount(s) as it considers to be necessary.
- (b) Each UK Chargor shall immediately on demand by the Security Agent reimburse the Security Agent for all Costs and Expenses incurred by the Security Agent in connection with any action taken under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed, provided that there is no double recovery with similar costs in the Facilities Agreement.

12.5 Exercise of rights on Enforcement Event

On and after the occurrence of an Enforcement Event:

- (a) the Security Agent may exercise (without any further consent or authority on the part of any UK Chargor and irrespective of any direction given by any UK Chargor) any

UK Chargor's rights or remedies (including direction of any payments to the Security Agent) under or in respect of any of its Insurance Policies (and, in respect of any such rights or remedies that have been assigned to the Security Agent under this Deed, the Security Agent may exercise some or all of those rights or remedies as assignee); and

- (b) each UK Chargor shall hold any payment that it receives under or in respect of its Insurance Policies on trust for the Security Agent, pending payment to the Security Agent for application in accordance with Clause 19 (*Application of Proceeds*), and each Chargor waives its rights to any such payment.

13. ENFORCEMENT OF TRANSACTION SECURITY

13.1 Timing and manner of enforcement

- (a) The Transaction Security shall become enforceable and the powers referred to in Clause 13.2 (*Extension and variation of powers under the LPA 1925*) shall become exercisable immediately:

- (i) upon the occurrence of an Enforcement Event; or
 - (ii) if a Chargor requests the Security Agent to exercise any of its powers under this Deed.

- (b) Without prejudice to any other provision of this Deed, immediately after the Transaction Security has become enforceable, the Security Agent may, in its absolute and sole discretion and without notice to any Chargor or prior authorisation from any person, court or similar body:

- (i) enforce all or any part of the Transaction Security and require the payment or transfer to it of any amounts, proceeds or assets held on trust by a Chargor for its benefit;
 - (ii) in the case of any right or remedy comprising or in respect of any Security Asset that has been assigned to the Security Agent under this Deed, exercise any such right or remedy as assignee; and/or
 - (iii) exercise all or any of the powers, authorities and discretions conferred on the Security Agent:
 - (A) by the Intercreditor Agreement and/or the other Finance Documents (including this Deed); or
 - (B) otherwise by law on mortgagees, chargees, assignees, receivers (whether or not the Security Agent has appointed a Receiver) and/or administrators (whether or not any Chargor is in administration),

in each case, at the times, in the manner and on the terms that it sees fit, or as otherwise directed in accordance with the terms of the Intercreditor Agreement and/or the other Finance Documents.

- (c) No Secured Party (and no agent, employee or officer of any Secured Party) shall be liable to any Chargor for any loss arising from the manner in which the Security Agent or any other Secured Party enforces or refrains from enforcing the Transaction Security (unless such loss is caused by its gross negligence or wilful misconduct), and

any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.

- (d) Without prejudice to any other provision of this Deed, upon and after the Transaction Security becoming enforceable, each Chargor shall hold its Security Assets on trust for the Security Agent.

13.2 Extension and variation of powers under the LPA 1925

- (a) The Secured Obligations shall be deemed to have become due and payable on the date of this Deed for the purposes of section 101 of the LPA 1925.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) and all other powers conferred on a mortgagee by law shall be deemed to arise immediately after execution of this Deed.
- (c) Any restriction imposed by law on the power of sale (including under section 103 of the LPA 1925) or the right of a mortgagee to consolidate mortgages (including under section 93 of the LPA 1925) shall not apply to the Transaction Security or this Deed.
- (d) The Security Agent may lease, make agreements for leases at a premium or otherwise, surrender, rescind or agree or accept surrenders of leases and grant options on such terms and in such manner as it shall consider fit without the need to comply with any of the provisions of sections 99 and 100 of the LPA 1925. For the purposes of sections 99 and 100 of the LPA 1925, the expression “mortgagor” shall include any encumbrancer deriving title under the original mortgagor and section 99(18) of the LPA 1925 and section 100(12) of the LPA 1925 shall not apply.

13.3 Contingencies

If the Transaction 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 such number of suspense accounts as it considers appropriate.

13.4 Exercise of powers

All or any of the powers conferred on mortgagees by the LPA 1925 as varied or extended by this Deed (and all or any of the rights and powers conferred by this Deed on a Receiver) (in each case, whether express or implied) may be exercised by the Security Agent without further notice to any Chargor at any time after the occurrence of an Enforcement Event, irrespective of whether the Security Agent has taken possession of any Security Asset or appointed a Receiver.

13.5 Restrictions on notices

Before the occurrence of an Enforcement Event, the Security Agent shall not give any notice, notification or instruction:

- (a) referred to in paragraph 2(e) of the notice served on an Account Bank in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*) to that Account Bank; or

- (b) referred to in paragraph 4 of the notice served on an insurer or insurance broker (as applicable) in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*) to that insurer or insurance broker (as applicable).

13.6 Protection of third parties

- (a) No person (including a purchaser) dealing with the Security Agent or a Receiver or any of its or their respective agents shall be concerned to enquire:
 - (i) whether the Secured Obligations have become payable;
 - (ii) whether any power which the Security Agent or that Receiver may purport to exercise has become exercisable or is being properly exercised;
 - (iii) whether any amount remains due under the Finance Documents; or
 - (iv) how any money paid to the Security Agent or to that Receiver is to be applied,

and any such person who is not a Party may rely on this paragraph (a) and enforce its terms under the Third Parties Act.

- (b) Any person (including a purchaser) dealing with the Security Agent or a Receiver shall benefit from the protections given to purchasers (as that term is used in the LPA 1925) from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver by section 42(3) of the IA 1986, and any such person who is not a Party may rely on this paragraph (b) and enforce its terms under the Third Parties Act.
- (c) The receipt by the Security Agent or any Receiver of any monies paid to the Security Agent or that Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person (including a purchaser) dealing with the Security Agent or that Receiver of any obligation to see to the application of any monies paid to or at the direction of the Security Agent or that Receiver, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act. Any sale or disposal of any Security Asset and any acquisition, in each case, by the Security Agent or any Receiver shall be for such consideration, and made in such manner and on such terms as the Security Agent or that Receiver sees fit.
- (d) In this Clause 13.6, *purchaser* includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

13.7 No liability as mortgagee in possession

None of the Security Agent, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) shall be liable by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession for any loss on realisation in respect of that Security Asset; or
- (b) for any act, neglect, default, omission or misconduct for which a mortgagee in possession might be liable,

and any such person who is not a Party may rely on this Clause 13.7 and enforce its terms under the Third Parties Act.

13.8 Redemption of prior security

- (a) The Security Agent or any Receiver may at any time after the occurrence of an Enforcement Event:
 - (i) redeem any prior security on or relating to any Security Asset or procure the transfer of that security to itself; and
 - (ii) settle and pass the accounts of any person entitled to that prior security, and any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor.
- (b) Each Chargor shall on demand pay to the Security Agent all principal monies and interest and all Costs and Expenses incidental to any redemption or transfer under this Clause 13.8, in each case, together with interest accruing on those amounts at the Default Rate for the period from and including the date on which those amounts were incurred up to and excluding the date on which they were reimbursed, provided that there is no double recovery with similar costs in the Facilities Agreement.

13.9 Right of appropriation

- (a) To the extent that any of the Security Assets constitute “financial collateral” and this Deed and the obligations of a Chargor under it 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 (SI 2003 No. 3226) (the *FCR Regulations*)), upon and after the Transaction Security becoming enforceable, the Security Agent or any Receiver shall have the benefit of all the rights conferred on a collateral taker under the FCR Regulations, including the right to appropriate without notice to any Chargor (either on a single occasion or on multiple occasions) all or any part of that financial collateral in or towards discharge of the Secured Obligations and, for this purpose, the value of the financial collateral so appropriated shall be, in the case of cash, the amount standing to the credit of each Account, together with any accrued but unposted interest at the time the right of appropriation is exercised.
- (b) The Parties agree that the method of valuation set out in paragraph (a) above is an independent and commercially reasonable method of valuation for the purposes of the FCR Regulations.
- (c) Each Chargor irrevocably and unconditionally agrees that the Security Agent may:
 - (i) delegate its rights under paragraph (a) above to one or more persons and that such delegates may exercise such rights on behalf of the Security Agent; and
 - (ii) distribute the right of appropriation referred to in paragraph (a) above to one or more Secured Parties (in accordance with the terms of the Intercreditor Agreement) so that, immediately upon the exercise of such right of appropriation, the relevant Secured Party will become the legal and beneficial owner of the assets that have been appropriated.

13.10 Release and/or disposal of Group Liabilities

Subject to the terms of the Intercreditor Agreement, in respect of any disposal of any Subsidiary Shares of any Chargor that is effected pursuant to, or in connection with, the enforcement of the Transaction Security, the Security Agent or any Receiver shall be irrevocably authorised (at the cost of the Company and without any consent, sanction, authority or further confirmation from any other Secured Party or any Chargor) to:

- (a) release all or any part of any Group Liabilities owing to that Chargor at that time; and/or
- (b) dispose of all or any part of any Group Liabilities owing to that Chargor at that time,

in each case, on behalf of that Chargor (and, if necessary, any party who is a debtor in respect of those Group Liabilities), and in any manner and on such terms as the Security Agent or that Receiver sees fit.

14. RECEIVER

14.1 Appointment of Receivers and administrators

- (a) The Security Agent may, by deed or otherwise in writing (and signed by any officer, manager or authorised signatory of the Security Agent) and without notice to any Chargor, appoint one or more qualified persons to be a Receiver or Receivers, at any time:
 - (i) upon and after the Transaction Security becoming enforceable (whether or not the Security Agent has taken possession of any Security Asset); or
 - (ii) at the written request of any Chargor.
- (b) The Security Agent may not appoint an administrative receiver over any Security Asset to the extent prohibited by section 72A of the IA 1986.
- (c) Section 109(1) of the LPA 1925 shall not apply to this Deed.
- (d) If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.
- (e) Any Receiver may be appointed Receiver of all or any of the Security Assets or Receiver of a part of the Security Assets specified in the appointment. In the case of an appointment of a part of the Security Assets, the rights conferred on a Receiver as set out in Clause 14.6 (*Powers of Receivers*) shall have effect as though every reference in that Clause to any Security Assets is a reference to the part of those assets so specified or any part of those assets.
- (f) Subject to (and in the manner prescribed by) law, the Security Agent may also appoint an administrator.

14.2 Moratorium – Receivers

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 the IA 1986.

14.3 Removal of Receivers

The Security Agent may by notice in writing remove any Receiver appointed by it (subject to section 45 of the IA 1986 in the case of an administrative receivership) whenever it considers fit and appoint a new Receiver instead of any Receiver whose appointment has terminated for any reason.

14.4 Agent of Chargors

- (a) Any Receiver shall be the agent of each Chargor for all purposes and accordingly shall be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925.
- (b) Each Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (c) No Secured Party shall incur any liability (either to a Chargor or any other person) by reason of the appointment of a Receiver or for any other reason.

14.5 Remuneration

- (a) The Security Agent may:
 - (i) subject to section 36 of the IA 1986, determine the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the LPA 1925) shall not apply to this Deed; and
 - (ii) direct the payment of the remuneration of any Receiver appointed by it out of monies accruing to that Receiver in its capacity as such.
- (b) Notwithstanding paragraph (a) above, the Chargors shall be liable for the payment of the remuneration of any Receiver appointed by the Security Agent and for all Costs and Expenses of that Receiver.

14.6 Powers of Receivers

Notwithstanding any Dissolution applicable to any Chargor, any Receiver appointed pursuant to Clause 14.1 (*Appointment of Receivers and administrators*) shall have the following rights, powers and discretions:

- (a) all the rights, powers and discretions conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925 (in each case, to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);
- (b) all the rights, powers and discretions of an administrative receiver set out in Schedule 1 to the IA 1986 as in force on the date of this Deed (whether or not in force on the date of exercise) and all rights, powers and discretions of an administrative receiver that may be added to Schedule 1 to the IA 1986 after the date of this Deed (in each case, whether or not the Receiver is an administrative receiver (as defined in the IA 1986) and to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);

- (c) all the rights, powers and discretions expressed to be conferred upon the Security Agent in any Finance Document (including this Deed), including all the rights, powers and discretions conferred upon the Security Agent in the Finance Documents to release any Security Asset from the Transaction Security;
- (d) to take immediate possession of, get in and collect any Security Asset and to require payment to him/her or to the Security Agent of any Monetary Claims or credit balance on any Account;
- (e) to carry on any business of any Chargor in any manner he/she considers fit;
- (f) to enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which any Chargor is a party;
- (g) to appoint and discharge any managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she considers fit and to discharge any person appointed by any Chargor;
- (h) to raise and borrow money either unsecured or on the security of any Security Asset either in priority to the Transaction Security created pursuant to this Deed or otherwise and generally on any terms and for whatever purpose which he/she considers fit;
- (i) to 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 he/she considers fit, and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period);
- (j) to 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;
- (k) to bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she considers fit;
- (l) to give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Security Asset;
- (m) to form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset;
- (n) to delegate his/her powers in accordance with this Deed;
- (o) to lend money or advance credit to any customer of any Chargor;
- (p) to effect any insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset, in each case, as he/she considers fit;
- (q) to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he/she may consider fit) any assets which he/she considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Security Assets or the business of any Chargor;

- (r) to exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset;
- (s) to make any payment and incur any expenditure, which the Security Agent is, pursuant to this Deed, expressly or impliedly authorised to make or incur;
- (t) to do all other acts and things which he/she 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 (as varied or extended by this Deed); and
- (u) to use the name of any Chargor for any of the purposes set out in paragraphs (a) to (t) (inclusive) above.

15. DELEGATION

- (a) The Security Agent or any Receiver may delegate (and any delegate may sub-delegate) by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.
- (b) Any delegation under this Clause 15 may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Security Agent or any Receiver may consider fit.
- (c) None of the Security Agent, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, neglect, default, omission or misconduct on the part of any delegate, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.
- (d) References in this Deed to the Security Agent or a Receiver shall be deemed to include references to any delegate or sub-delegate of the Security Agent or Receiver appointed in accordance with this Clause 15.

16. PRESERVATION OF SECURITY

16.1 Reinstatement

- (a) If any payment by a Chargor or any discharge or release given by a Secured Party (whether in respect of the obligations of any person or any security or guarantee for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:
 - (i) the liability of that Chargor and the relevant security or guarantee shall continue as if the payment, discharge, release, avoidance or reduction had not occurred; and
 - (ii) the relevant Secured Party shall be entitled to recover the value or amount of that security, guarantee or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.
- (b) The Security Agent may concede or compromise any claim that any payment, security, guarantee or other disposition is liable to avoidance or restoration.

16.2 Waiver of defences

None of the obligations of any Chargor under this Deed or any Transaction Security shall be affected by any act, omission, matter or thing (whether or not known to any Chargor or any Secured Party) which, but for this provision, would reduce, release, prejudice or provide a defence to any of those obligations including:

- (a) any time, waiver or consent, or any other indulgence or concession, in each case, granted to, or composition with, any Chargor or any other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee or indemnity or any document, including any arrangement or compromise entered into by any Secured Party with any Chargor or any other person;
- (d) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee or indemnity or any document (including any failure to present, or comply with, any formality or other requirement in respect of any instrument, or any failure to realise the full value of any rights against, or security over the assets of, any Chargor or any other person);
- (e) the existence of any claim, set-off or other right which any Chargor may have at any time against any Secured Party or any other person;
- (f) the making, or absence, of any demand for payment or discharge of any Secured Obligations;
- (g) any amalgamation, merger or reconstruction that may be effected by the Security Agent with any person, including any reconstruction by the Security Agent involving the formation of a new company and the transfer of all or any of the assets of the Security Agent to that company, or any sale or transfer of the whole or any part of the undertaking and/or assets of the Security Agent to any person;
- (h) any incapacity or lack of power, authority or legal personality or Dissolution, in each case, of any Chargor or any other person, or any change in the members or status of any Chargor or any other person;
- (i) any variation, amendment, waiver, release, novation, supplement, extension, restatement or replacement of, or in connection with, any Finance Document or any other document or any security, guarantee or indemnity, in each case, however fundamental and of whatever nature (and including any amendment that may increase the liability of any Obligor or any Chargor);
- (j) any change in the identity of the Security Agent or any other Secured Party or any variation of the terms of the trust upon which the Security Agent holds the Transaction Security;
- (k) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or any security, guarantee or indemnity; or
- (l) any Dissolution, insolvency or similar proceedings.

16.3 Immediate recourse

- (a) Each Chargor waives any right it may have of first requiring any Secured Party (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 or enforcing against any Chargor under this Deed or any other Finance Document.
- (b) The waiver in this Clause 16.3 applies irrespective of any law or any provision of a Finance Document to the contrary.

16.4 Appropriations

On and after the occurrence of an Enforcement Event and until the Senior Discharge Date, each Secured Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying, appropriating or enforcing any monies, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply, appropriate and enforce the same in such manner and order as it considers fit (whether against the Secured Obligations or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability under this Deed or any other Finance Document, pending their application in or towards discharge of any of the Secured Obligations unless and until the balance standing to the credit of the suspense account would be sufficient to discharge the Secured Obligations in full, in which case it shall be so applied.

16.5 Deferral of Chargors' rights

- (a) Until the Senior Discharge Date and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have to:
 - (i) receive, claim or have the benefit of any payment, guarantee, indemnity, contribution or security from or on account of any other Chargor or guarantor or surety of any Obligor's or Chargor's obligations under the Finance Documents;
 - (ii) take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any guarantee, indemnity or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
 - (iii) bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the relevant Chargor has given a guarantee, security, undertaking or indemnity under the Finance Documents;
 - (iv) exercise any right of set-off or counterclaim or any right in relation to any "flawed asset" or "hold back" arrangement, in each case, against an Obligor;
 - (v) exercise any right of quasi-retainer or other analogous equitable right; and/or

- (vi) claim, rank, prove or vote as a creditor of an Obligor in competition with the Secured Parties.
- (b) If any Chargor receives any benefit, payment or distribution in relation to any right referred to in paragraph (a) above, it shall hold that benefit, payment or distribution, to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by an Obligor or a Chargor under or in connection with the Finance Documents to be repaid in full, on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct. If any benefit, payment or distribution cannot be held on trust or is applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Secured Parties a debt equal to the amount of the relevant benefit, payment or distribution and shall immediately pay or transfer that amount to the Security Agent or as the Security Agent may direct. All amounts received by the Security Agent under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of Proceeds*).

16.6 Security held by Chargers

- (a) No Chargor shall, without the prior written consent of the Security Agent, hold or otherwise take the benefit of any security from any other Obligor in respect of any Chargor's liability under this Deed.
- (b) Each Chargor shall hold any security and the proceeds thereof held by it in breach of this Clause 16.6 on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct. If any security or proceeds cannot be held on trust or is or are applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Secured Parties a debt equal to the amount of the relevant security or proceeds and shall immediately pay or transfer that amount to the Security Agent or as the Security Agent may direct. All amounts received by the Security Agent under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of Proceeds*).

16.7 Additional security/non-merger

- (a) The Transaction Security created pursuant to this Deed is cumulative to, in addition to, independent of and not in substitution for or derogation of, and shall not be merged into or in any way be excluded or prejudiced by, any other security (whether given by a Chargor or otherwise) at any time held by or on behalf of any Secured Party in respect of or in connection with any or all of the Secured Obligations or any other amount due by any Chargor to any Secured Party.

16.8 New accounts and ruling off

- (a) Any Secured Party may open a new account in the name of any UK Chargor at any time after a subsequent security affects any Security Asset or if any UK Chargor is subject to any Dissolution.
- (b) If a Secured Party does not open a new account in the circumstances referred to in paragraph (a) above it shall nevertheless be deemed to have done so upon the occurrence of such circumstances.

- (c) No monies paid into any account (whether new or continuing) after the occurrence of the circumstances referred to in paragraph (a) above shall reduce or discharge the Secured Obligations.

17. FURTHER ASSURANCES

Each Chargor shall, at its own expense, take whatever action the Security Agent or a Receiver may reasonably require:

- (a) creating, perfecting or protecting any Transaction Security intended to be created by or pursuant to this Deed;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any right, power or discretion exercisable by the Security Agent or any Receiver in respect of any Security Asset,

including:

- (i) the execution of any legal or equitable mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; and
- (ii) 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 reasonably specify and reasonably require.

18. POWER OF ATTORNEY

18.1 Appointment

- (a) Each Chargor by way of security irrevocably appoints the Security Agent and each Receiver severally as its attorney, with full power of substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney considers fit:
 - (i) before the occurrence of an Enforcement Event, to do anything which that Chargor is obliged to do under this Deed (but has not done within 10 Business Days of being notified of its failure to meet such obligation and being requested to comply with such obligation); and
 - (ii) on and after the occurrence of an Enforcement Event, to do anything which that Chargor is obliged to do under this Deed and to exercise any of the rights conferred on the Security Agent or any Receiver in relation to any Security Asset or under any Finance Document, the LPA 1925 or the IA 1986.
- (b) The power of attorney conferred on the Security Agent and each Receiver pursuant to paragraph (a) above shall continue notwithstanding the exercise of any right of appropriation pursuant to Clause 13.9 (*Right of appropriation*).

18.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 18.1 (*Appointment*).

18.3 Waiver

Each Chargor waives any breach of clause 39 (*Confidential Information*) of the Facilities Agreement that may occur as a result of the Security Agent taking any action under paragraph (a) of Clause 18.1 (*Appointment*).

19. APPLICATION OF PROCEEDS

19.1 Order of application

- (a) Without prejudice to any other provision of this Deed, all amounts and other proceeds or assets received by the Security Agent or any Receiver pursuant to this Deed or the powers conferred by it shall be applied in accordance with clause 17.1 (*Order of application*) of the Intercreditor Agreement.
- (b) The order of application referred to in paragraph (a) above shall override any appropriation by any Chargor.

19.2 Receiver's receipts

Section 109(8) of the LPA 1925 shall not apply in relation to a Receiver appointed under this Deed.

20. CHANGES TO PARTIES

20.1 Transfer by the Security Agent

Subject to the terms of the Facilities Agreement:

- (a) The Security Agent may at any time, without the consent of any Chargor, assign or otherwise transfer all or any part of its rights or obligations under this Deed to any successor or additional Security Agent appointed in accordance with the Finance Documents. Upon that assignment or transfer taking effect, the successor or additional Security Agent shall act, and shall be deemed to be acting, as agent and trustee for itself and each other Secured Party for the purposes of this Deed in accordance with Clause 21.6 (*Secured Parties*), (in the case of a successor Security Agent) in place of, or (in the case of an additional Security Agent) in addition to, the current Security Agent.
- (b) Each Chargor shall, immediately upon a request from the Security Agent, enter into such documents and do all such acts as may be necessary to effect the assignment or transfer referred to in paragraph (a) above.

20.2 Transfer by the Chargors

No Chargor may assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Deed.

20.3 Changes to the Parties

Each Chargor agrees to be bound by the terms of clauses 26 (*Changes to the Lenders*) to 28 (*Changes to the Obligors*) (inclusive) of the Facilities Agreement and clause 20 (*Changes to the Parties*) of the Intercreditor Agreement and authorises the Security Agent to execute on its behalf any document the Security Agent considers necessary in relation to the creation, perfection or maintenance of the Transaction Security, the rights of the Security Agent under this Deed or any transfer or assignment contemplated by those provisions.

20.4 Accession

- (a) Subject to the terms of the other Finance Documents, a member of the Group:
 - (i) shall become a Party in the capacity of a Chargor on the date on which it delivers a duly executed and completed Accession Document to the Security Agent; and
 - (ii) by so delivering a duly executed and completed Accession Document, shall be bound by, and shall comply with, all of the terms of this Deed which are expressed to be binding on a Chargor,in each case, as if it had always been a Party as a Chargor.
- (b) Each Chargor consents to members of the Group becoming Chargors as contemplated by the Facilities Agreement and irrevocably appoints the Company as its attorney, with full power of substitution, for the purposes of executing any Accession Document for and on behalf of that Chargor.

21. MISCELLANEOUS

21.1 Further advances

- (a) Subject to the terms of the Finance Documents, each Secured Party is under an obligation to make further advances or other financial accommodation to each relevant Borrower. That obligation shall be deemed to be incorporated into this Deed as if set out in this Deed.
- (b) This Deed secures advances and financial accommodation already made under the Finance Documents and further advances and financial accommodation to be made under the Finance Documents.

21.2 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any Finance Document or otherwise, if any time deposit matures on any account which any Chargor has with a Secured Party before the Senior Discharge Date when:

- (a) the Transaction Security has become enforceable; and
- (b) no amount of the Secured Obligations is due and payable,

that time deposit shall automatically be renewed for such further maturity as the relevant Secured Party in its absolute and sole discretion considers appropriate unless that Secured Party otherwise agrees in writing.

21.3 Failure to execute and intention to be bound

- (a) Failure by one or more Parties to execute this Deed (those Parties being *Non-Signatories*) on the date hereof shall not invalidate the provisions of this Deed as between the other Parties who do execute this Deed.
- (b) Each Non-Signatory may execute this Deed on a subsequent date and shall thereupon become bound by its provisions.
- (c) The execution of this Deed by any person other than the Security Agent shall be conclusive evidence of its intention to be bound by, and comply with, this Deed as a Chargor in respect of its assets, including if its name is misdescribed, or if its name is not set out, in any applicable Schedule or provision of this Deed.

21.4 Execution as a deed

Each Party intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed on the date stated at the beginning of this Deed, notwithstanding the fact that any one or more of the Parties may only execute this Deed under hand.

21.5 Determinations

Any certification or determination by any Secured Party or any Receiver under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

21.6 Secured Parties

Each Party agrees that the Security Agent's interests and rights under, and in respect of, this Deed shall be held by the Security Agent as agent and, to the extent permitted by law, trustee for itself and the other Secured Parties from time to time on the terms set out in the Intercreditor Agreement. Accordingly, unless the context requires otherwise, all references in this Deed to the Security Agent are to the Security Agent in its capacity as agent and trustee. However, no Secured Party may enforce the terms of this Deed other than in accordance with the terms of the Intercreditor Agreement and may only exercise its rights and remedies under this Deed through the Security Agent. In addition, this Deed may be amended, varied, waived, released, terminated and/or rescinded by the Security Agent in accordance with the terms of the Intercreditor Agreement and no other Secured Party may argue to the contrary and waives any rights that it may have to do so.

21.7 Joint and several liability

The liabilities of each Chargor under this Deed shall be joint and several.

22. PARTIAL INVALIDITY

- (a) If at any time any provision of this Deed is or becomes invalid, illegal, void or unenforceable in any respect under the law of any jurisdiction, that shall not in any way affect or impair:
 - (i) the legality, validity or enforceability of that provision under the law of any other jurisdiction; or

- (ii) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction.
- (b) The Parties shall enter into good faith negotiations (but without any liability whatsoever in the event of no agreement being reached) to replace any invalid, illegal, void or unenforceable provision of this Deed, with a view to obtaining the same commercial effect as this Deed would have had if that provision had been valid, legal and enforceable.

23. TRUSTS

If any trust intended to arise pursuant to any provision of this Deed or any other Finance Document fails or for any reason (including the laws of any jurisdiction in which any assets, monies, payments or distributions may be situated, or pursuant to any provision of this Deed) does not otherwise take effect, the relevant Chargor shall:

- (a) hold at the direction of the Security Agent the amount, proceeds or Security Asset or other assets intended to be held on trust; and
- (b) owe the Secured Parties a debt equal to that amount or the value of those proceeds or that Security Asset or those other assets and, if required by the Security Agent, that Chargor shall immediately pay or transfer to the Security Agent, or as the Security Agent may direct, an amount equivalent to that debt. All amounts received by the Security Agent under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of Proceeds*).

24. AMENDMENTS

Other than as provided in the Intercreditor Agreement, this Deed may only be amended, modified or waived in any respect with the prior written consent of the Security Agent, such consent to be given with express reference to this Clause 24.

25. REMEDIES AND WAIVERS

No delay or omission on the part of the Security Agent in exercising any right or remedy provided by law or under this Deed shall impair, affect or operate as a waiver of that or any other right or remedy. The single or partial exercise by the Security Agent of any right or remedy shall not, unless otherwise expressly stated, preclude or prejudice any other or further exercise of that, or the exercise of any other, right or remedy. The rights and remedies of the Security Agent under this Deed are in addition to, and do not affect, any other rights or remedies available to it by law.

26. NOTICES

26.1 Notices

Any notice or other communication to be served under or in connection with this Deed shall be made in accordance with clause 34 (*Notices*) of the Facilities Agreement, and those clauses (other than paragraph (c) of clause 34.3 (*Delivery*) of the Facilities Agreement) are incorporated into this Deed as if set out in full in this Deed, except that references to “this Agreement” shall be construed as references to this Deed.

27. 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.

28. GOVERNING LAW

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

29. ENFORCEMENT

29.1 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.

29.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales):
 - (i) irrevocably appoints the Second Chargor as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed (and the Second Chargor, by its execution of this Deed, accepts that appointment); and
 - (ii) agrees that failure by an agent for service of process to notify the relevant 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 Company (on behalf of all the Chargors) must immediately (and in any event within five Business Days of such event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.
- (c) Each Chargor expressly agrees and consents to the provisions of this Clause 29 and Clause 28 (*Governing Law*).

THIS DEED has been executed and delivered as a DEED on the date stated at the beginning of this Deed.

SCHEDULE 1

ORIGINAL CHARGORS

Name of Original Chargor	Jurisdiction of incorporation	Registered number
Euro Vital Pharma Holding GmbH (the <i>First Chargor</i>)	Germany	HRB 197473 B
Principle Healthcare International Limited (the <i>Second Chargor</i>)	England and Wales	05019943
Principle Healthcare Limited (the <i>Third Chargor</i> , together with the Second Chargor, the <i>UK Chargors</i>)	England and Wales	04283476

SCHEDULE 2

SECURITY ASSETS

Part A Subsidiary Shares

Chargor	Issuer/member of the Group	Number and class of shares	Details of nominees holding legal title
Euro Vital Holdings GmbH	Principle Healthcare International Limited	5,000 ordinary shares of £1 each	Not applicable
Principle Healthcare International Limited	Principle Healthcare Limited	980 ordinary shares of £1 each	Not applicable

Part B Accounts

Chargor	Account Bank	Account number	Sort code	Description
Principle Healthcare Limited	NatWest Bank Plc			Collection Account
Principle Healthcare Limited	NatWest Bank Plc			Collection Account
Principle Healthcare International Limited	NatWest Bank Plc			Collection Account
Principle Healthcare International Limited	NatWest Bank Plc			Collection Account
Principle Healthcare International Limited	NatWest Bank Plc			Collection Account

Part C
Insurance Policies

None as at the date of this Deed.

SCHEDULE 3

FORM OF NOTICE AND ACKNOWLEDGMENT FOR ACCOUNTS

To: [Account Bank]

Copy: Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent

Date: [●]

Dear Sir / Madam,

Debenture dated [●] between us and certain other companies (as chargors) and Wilmington Trust SP Services (Frankfurt) GmbH (the *Security Agent*) (the *Debenture*) – Notice of charge

1. We refer to the Debenture. This is notice that, pursuant to the Debenture, we and each company listed in the schedule to this notice (each a ***Chargor***) have charged by way of a first fixed charge to the Security Agent (on behalf of certain Secured Parties referred to in the Debenture) all our respective right, title and interest in and to the accounts identified in respect of each Chargor in the schedule to this notice and to any other accounts from time to time maintained with you by any Chargor (together, the ***Accounts***), together with all amounts standing to the credit of, and the debts represented by, the Accounts from time to time. We confirm to you that we are authorised to give this notice on behalf of the other Chargors.

2. With effect from the date of your receipt of this notice:

- (a) subject to paragraph (e) below, each Chargor irrevocably authorises you to hold all amounts from time to time standing to the credit of its Accounts to the order of the Security Agent;
- (b) subject to paragraph (e) below, each Chargor irrevocably authorises you to only pay or release those amounts in accordance with the written instructions of the Security Agent at any time;
- (c) each Chargor agrees and instructs that the terms and conditions relating to its Accounts designated as “Blocked” in the schedule to this notice may not be terminated, rescinded, amended, varied or waived without the prior written consent of the Security Agent;
- (d) no Chargor may withdraw or transfer any amount from its Accounts designated as “Blocked” in the schedule to this notice without the prior written consent of the Security Agent; and
- (e) each Chargor may withdraw or transfer amounts from its Accounts designated as “Not blocked” in the schedule to this notice until such time as the Security Agent provides written notification to you that such permission is withdrawn (and the Security Agent may withdraw or notify this permission in its absolute and sole discretion at any time).

3. You are irrevocably authorised and instructed, without requiring further approval from any Chargor to:

- (a) pay all monies received by you for the Accounts to (and only to) the credit of the Accounts;
- (b) provide the Security Agent with such information relating to the Accounts as it may from time to time request; and
- (c) comply with the terms of any written notice or instruction in any way relating to, or purporting to relate to, the Debenture, the amounts standing to the credit of the Accounts from time to time or the debts represented by them which you receive at any time from the Security Agent without any reference to or further authority from any Chargor and without any enquiry by you as to the justification for or validity of that notice or instruction.

4. These instructions may not be revoked or amended without the prior written consent of the Security Agent. We agree that you may comply with the terms of this notice without any further permission from any Chargor and without enquiry by you as to the justification for or validity of any request, notice or instruction.

5. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm (by way of undertaking in favour of the Security Agent) that:

- (a) you agree to the terms of this notice and to act in accordance with its provisions;
- (b) you have not received notice of the interest (of whatever nature) of any third party in any Account or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in any Account; and
- (c) you have not and will not claim, exercise or enforce any security interest, right of set-off, combination of accounts, counterclaim or similar right in respect of the Accounts or the debts represented by them without the prior written consent of the Security Agent.

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

7. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including a dispute relating to the existence, validity or termination of this notice or any non-contractual obligation arising out of or in connection with this notice) (a *Dispute*). Each party to this notice agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary. For such purposes, each party to this notice irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Yours faithfully,

.....
 for and on behalf of
 Euro Vital Pharma Holding GmbH
 and as authorised agent of the other Chargors

.....

for and on behalf of

Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent

SCHEDULE

Chargor	Account number	Sort code	Status
[•]	[•]	[•]	[Blocked/Not blocked]

[On acknowledgment copy]

To: Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent
[Address]

Copy to: Euro Vital Pharma Holding GmbH

We acknowledge receipt of the above notice and agree to and confirm the matters set out in it.

.....
for and on behalf of
[Account Bank]

Date: [●]

SCHEDULE 4

FORM OF NOTICE AND ACKNOWLEDGMENT FOR INSURANCE POLICIES

To: [Insurer/insurance broker]

Copy: Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent

Date: [●]

Dear Sir / Madam,

Debenture dated [●] between us and certain other companies (as chargors) and Wilmington Trust SP Services (Frankfurt) GmbH (the *Security Agent*) (the *Debenture*) – Notice of assignment

1. We refer to the Debenture. This is notice that, pursuant to the Debenture, we and each company listed in the schedule to this notice (each a **Chargor**) have assigned absolutely by way of security (subject to a proviso for reassignment in accordance with the Debenture) to the Security Agent (on behalf of certain Secured Parties referred to in the Debenture) all our respective right, title and interest in and to the insurance policies identified in respect of each Chargor in the schedule to this notice (and the proceeds of them) and to any other insurance policies (and the proceeds of them) taken out with you by or on behalf of any Chargor or under which any Chargor has a right to a claim [(other than in relation to third party liabilities, business interruption or similar claims and, for the avoidance of doubt, excluding directors' and officers' insurance policies)] (together, the **Insurance Policies**). Further, each Chargor has agreed in the Debenture that the Security Agent is to have all the rights and remedies of an assignee in respect of that Chargor's Insurance Policies and that the exercise by each Chargor of any rights or remedies in respect of its Insurance Policies is pursuant to the limited authority given to that Chargor pursuant to the terms of the Debenture and is without prejudice to the assignment by each Chargor of its Insurance Policies to the Security Agent under and on the terms of the Debenture. We confirm to you that we are authorised to give this notice on behalf of the other Chargors.

2. A reference in this notice to any amount excludes all amounts received or receivable under or in connection with any third party liability [or similar] insurance and required to settle a liability of any Chargor [or Obligor referred to in the Debenture] to a third party.

3. On behalf of each Chargor, we confirm that:

- (a) each Chargor shall remain liable under its Insurance Policies to perform all the obligations assumed by it under its Insurance Policies; and
- (b) neither the Security Agent nor any Secured Party referred to in this notice (nor any agent, employee or officer of either of them) nor any receiver, administrator or other person shall at any time be under any obligation or liability to you under or in respect of the Insurance Policies of any Chargor.

4. Notwithstanding the assignment by each Chargor of its rights under its Insurance Policies to the Security Agent, each Chargor shall be entitled to exercise all of the rights expressed to be given to it thereunder, and you should continue to give notices under the Insurance Policies to the relevant Chargor, until such time as the Security Agent provides

written notification to the contrary. Thereafter, unless the Security Agent otherwise agrees in writing:

- (a) all amounts payable under the Insurance Policies should be paid to the Security Agent or as it directs; and
- (b) all rights in respect of the Insurance Policies shall be exercisable by the Security Agent and notices under the Insurance Policies should be given to the Security Agent or as it directs.

5. You are authorised and instructed (without requiring further approval from any Chargor) to provide the Security Agent with such information relating to the Insurance Policies as it may from time to time request.

6. These instructions may not be revoked or amended without the prior written consent of the Security Agent. We agree that you may comply with the terms of this notice without any further permission from any Chargor and without enquiry by you as to the justification for or validity of any request, notice or instruction.

7. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm (by way of undertaking in favour of the Security Agent) that:

- (a) you agree to the terms of this notice and to act in accordance with its provisions;
- (b) you have not received notice of the interest (of whatever nature) of any third party in any of the Insurance Policies or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in any of the Insurance Policies;
- (c) you will not terminate, rescind, cancel, avoid, release or otherwise allow the Insurance Policies to lapse, or amend any term of the Insurance Policies, without the prior written consent of the Security Agent;
- (d) you have not and will not claim, exercise or enforce any right of set-off, counterclaim or similar right in respect of the Insurance Policies without the prior written consent of the Security Agent;
- (e) you shall notify the Security Agent of any breach by any Chargor of any term of its Insurance Policies and shall allow the Security Agent or the Secured Parties referred to in this notice to remedy that breach;
- (f) the Security Agent shall not in any circumstances be liable for the premium or any other necessary amounts, in each case, in relation to the Insurance Policies. However, the Security Agent may, in its absolute and sole discretion, elect to pay any such amount if a Chargor fails to do so; and
- (g) if the Security Agent elects to make a payment under paragraph (g) above, you will allow the Security Agent to do so.

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

9. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including a dispute relating to the existence, validity or termination of this notice or any non-contractual obligation arising out of or in connection

with this notice) (a *Dispute*). Each party to this notice agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary. For such purposes, each party to this notice irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Yours faithfully,

.....
for and on behalf of
Euro Vital Pharma Holding GmbH
and as authorised agent of the other Chargors

.....
for and on behalf of
Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent

SCHEDULE

Chargor	Insurer	Policy number	Description
[•]	[•]	[•]	[•]

[On acknowledgment copy]

To: Wilmington Trust SP Services (Frankfurt) GmbH as Security Agent
[Address]

Copy to: Euro Vital Pharma Holding GmbH

We acknowledge receipt of the above notice and agree to and confirm the matters set out in it.

.....
for and on behalf of
[Insurer/insurance broker]

Date: [●]

SCHEDULE 5

FORM OF DEED OF ACCESSION

THIS DEED is made on [●]

BETWEEN:

- (1) [●] (a company incorporated in [England and Wales] with registered number [●] and its registered office at [●]) [and [●] (a company incorporated in [England and Wales] with registered number [●] and its registered office at [●])] ([[the]/[each an]] *Additional Chargor*);
- (2) Euro Vital Pharma Holding GmbH for itself and as attorney for each of the other Chargors as defined in the Debenture referred to below (the *Company*); and
- (3) [●] for itself and as agent and trustee for each of the other Secured Parties as defined in the Debenture referred to below (the *Security Agent*).

WHEREAS:

- (A) [[[The]/[Each]] Additional Chargor is a wholly-owned Subsidiary of the Company.]
- (B) The Company has entered into a debenture dated [●] (the *Debenture*) between, among others, the Company (as an Original Chargor), the other Original Chargors and the Security Agent.
- (C) [[The]/[Each]] Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Debenture. [[The]/[Each]] Additional Chargor shall also, by execution of separate instruments, become a party to the other Finance Documents as an Obligor.

IT IS AGREED as follows:

1. INTERPRETATION

- (a) In this Deed, unless the context otherwise requires or a contrary indication appears:
 - (i) terms defined in the Debenture have the same meanings when used in this Deed; and
 - (ii) the provisions of clause 1.2 (*Construction*) of the Debenture apply to this Deed as if set out in full in this Deed, except that references to the Debenture shall be construed as references to this Deed.
- (b) This Deed is a Finance Document and a Transaction Security Document.

2. ACCESSION

With effect from the date of this Deed, [[the]/[each]] Additional Chargor:

- (a) shall become a party to the Debenture in the capacity of a Chargor; and
- (b) shall be bound by, and shall comply with, all of the terms of the Debenture which are expressed to be binding on a Chargor,

in each case, as if it had always been a party to the Debenture as a Chargor.

3. CREATION OF SECURITY

3.1 General

Clauses 3.2 (*Plant and Machinery*) to 3.6 (*Floating charge*) (inclusive) of this Deed apply without prejudice to the generality of Clause 2 (*Accession*) of this Deed.

3.2 Plant and Machinery

[[The]/[Each]] Additional Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to its Plant and Machinery.

3.3 Accounts

- (a) [[The]/[Each]] Additional Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Accounts (including any Account referred to in Part A (*Accounts*) of the Schedule (*Security Assets*) to this Deed) and any amount standing to the credit of, and the debt represented by, each such Account.
- (b) Notwithstanding Clause 3.3(a) above, [the]/[each] Additional Chargor shall not be required to grant security over an Account which is used for the incoming and outgoing payments in connection with a Permitted Factoring.

3.4 Monetary Claims

[[The]/[Each]] Additional Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Monetary Claims.

3.5 Insurance Policies

- (a) [[The]/[Each]] Additional Chargor assigns absolutely to the Security Agent, subject to a proviso for reassignment in accordance with clause 5 (*Release and reassignment*) of the Debenture, all its present and future right, title and interest in and to each of its Insurance Policies (including any Insurance Policy referred to in Part B (*Insurance Policies*) of the Schedule (*Security Assets*) to this Deed).
- (b) To the extent not effectively assigned under paragraph (a) above, [[the]/[each]] Additional Chargor charges by way of a first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to each of its Insurance Policies.

3.6 Floating charge

- (a) To the extent that any security purported to be granted pursuant to Clauses 3.2 to 3.5 (inclusive) is not effectively granted, [[the]/[each]] Additional Chargor charges by way of a first floating charge in favour of the Security Agent all assets over which security is purported to be granted pursuant to Clauses 3.2 to 3.5, together with all Related Rights.

- (b) The floating charge created by [[the]/[each]] Additional Chargor pursuant to paragraph (a) above shall be without prejudice to, and shall rank behind, all Transaction Security that is a mortgage, an assignment or a fixed charge, but shall rank in priority to any other security interest created by any Chargor after the date of this Deed.
- (c) The floating charge created by [[the]/[each]] Additional Chargor pursuant to paragraph (a) above is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the IA 1986. Paragraph 14 of Schedule B1 to the IA 1986 shall apply to this Deed.

4. RELATIONSHIP BETWEEN THIS DEED AND THE DEBENTURE

- (a) With effect from the date of this Deed:
 - (i) the Debenture shall be read and construed for all purposes as if:
 - (A) [[the]/[each]] Additional Chargor had been an original party to the Debenture in the capacity of a Chargor;
 - (B) the rights, obligations and liabilities of, under or in connection with the Debenture apply to [[the]/[each]] Additional Chargor in the capacity of a Chargor; and
 - (C) the provisions of the Debenture which are consistent with this Deed, or in respect of which this Deed is silent, apply to [[the]/[each]] Additional Chargor,

but, in each case, so that the Transaction Security created on this accession shall be created on the date of this Deed;
 - (ii) the provisions of the Debenture which are expressed to apply to the Security Agent, any Secured Party, any Receiver or any other person shall apply to this Deed as if set out in full in this Deed except that references to the Debenture shall include this Deed; and
 - (iii) unless the context otherwise requires, any reference in the Debenture to “this Deed” and similar phrases shall include this Deed and all references in the Debenture to any relevant schedule to the Debenture (or any part of it) shall include a reference to the Schedule (*Security Assets*) to this Deed (or relevant part of it).
- (b) Without prejudice to any other provision of this Deed, all Transaction Security:
 - (i) is created in favour of the Security Agent for itself and on behalf of each of the other Secured Parties;
 - (ii) is created free from any security interest (other than any Transaction Security);
 - (iii) is created over the present and future assets of each Chargor; and
 - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all amounts

payable under the Finance Documents and shall remain in full force and effect until the Senior Discharge Date. No part of the Transaction Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

- (c) If [[the]/[an]] Additional Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a ***restricted asset***) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a ***Restrictive Contract***) binding on [[the]/[that]] Additional Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group, any Affiliate of any member of the Group or Affiliate or Related Entity, each a ***counterparty***) has not been obtained, then:
- (i) [[the]/[that]] Additional Chargor shall notify the Security Agent of the same immediately;
 - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;
 - (iii) unless the Security Agent otherwise requires, [[the]/[that]] Additional Chargor shall use reasonable endeavours to obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Security Agent; and
 - (iv) on and from the date on which [[the]/[that]] Additional Chargor obtains the consent of each relevant counterparty, to the extent applicable, that restricted asset shall become subject to a mortgage, an assignment or a fixed charge in favour of the Security Agent under each provision of Clause 3 (*Creation of Security*) of this Deed which applies to the class of asset corresponding to that restricted asset.
- (d) The Security Agent holds the benefit of this Deed, the Debenture and the Transaction Security on trust for itself and each of the other Secured Parties from time to time on the terms of the Intercreditor Agreement.
- (e) The Transaction Security created pursuant to this Deed by [[the]/[each]] Additional Chargor is made with full title guarantee under the LPMPA 1994.
- (f) If the Security Agent considers that any payment, security or guarantee provided to it or any other Secured Party under or in connection with any Finance Document is capable of being avoided, reduced or invalidated by virtue of any applicable law, notwithstanding any reassignment or release of any Security Asset, the liability of [[the]/[each]] Additional Chargor under this Deed, the Debenture and the Transaction Security shall continue as if those amounts had not been paid or as if any such security or guarantee had not been provided.
- (g) Each undertaking of [[the]/[an]] Additional Chargor (other than a payment obligation) contained in this Deed or the Debenture:

- (i) shall be complied with at all times during the period commencing on the date of this Deed and ending on the Senior Discharge Date; and
 - (ii) is given by [[the]/[that]] Additional Chargor for the benefit of the Security Agent and each other Secured Party.
- (h) Notwithstanding anything contained in this Deed or the Debenture or implied to the contrary, [[the]/[each]] Additional Chargor remains liable to observe and perform, and shall observe and perform, all conditions and obligations assumed by it in relation to any of its Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.
- (i) If any Security Asset of [[the]/[any]] Additional Chargor is held by any person (including any nominee) on behalf of [[the]/[that]] Additional Chargor, [[the]/[that]] Additional Chargor shall procure that any such person performs the obligations of [[the]/[that]] Additional Chargor in respect of that Security Asset under this Deed and the Debenture.

5. COMPANY ACKNOWLEDGEMENT

The Company, for itself and as agent for each of the other Chargors under the Debenture, agrees to all matters provided for in this Deed.

6. EXECUTION AS A DEED

Each party to this Deed intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed on the date stated at the beginning of this Deed, notwithstanding the fact that any one or more of those parties may only execute this Deed under hand.

7. COUNTERPARTS

This Deed may be executed in any number of counterparts, and by each party to this Deed 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.

8. GOVERNING LAW

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

THIS DEED has been executed and delivered as a DEED on the date stated at the beginning of this Deed.

SCHEDULE

SECURITY ASSETS

Part A Accounts

[Additional Chargor]	Account Bank	Account number	Sort code	Description
[•]	[•]	[•]	[•]	[Collection Account]
[•]	[•]	[•]	[•]	[Mandatory Prepayment Account]
[•]	[•]	[•]	[•]	[Blocked Account]

Part B Insurance Policies

[Additional Chargor]	Insurer	Policy number	Description
[•]	[•]	[•]	[•]

SIGNATORIES TO THE DEED OF ACCESSION

[Insert signature blocks for Additional Chargor(s), Company and the Security Agent]

THIS DEED has been executed and delivered as a DEED on the date stated at the beginning of this Deed.

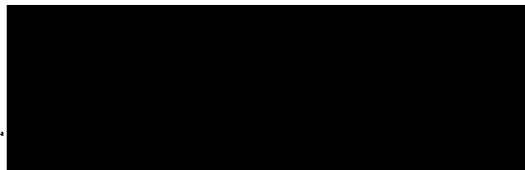
EXECUTED as a **DEED** by **EURO**
VITAL PHARMA HOLDING
GMBH, a company incorporated in
Germany by persons who are acting
under the company's authority in
accordance with the laws of that
territory

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)
)
)
)
)

Signed:

Print name:

Authorised signatory



Claas Fierlings

Signed:

Print name:

Authorised signatory



Klaus Kremers

Witness -

Signed:

I confirm that the above named signator(y)(ies) has executed this document in my presence

Print name:

Address:



Martina Weiss



EXECUTED as a DEED by)
PRINCIPLE HEALTHCARE)
INTERNATIONAL LIMITED by a)
director in the presence of a specified)
witness)

Signed:

Andrew Davies

Director

Witness

Signed:

*I confirm that the above named signatory has
executed this document in my presence*

Print name: Martin... Hendron

Address:

EXECUTED as a DEED by
PRINCIPLE HEALTHCARE
LIMITED by a director in the
presence of a specified witness

)
)
) Signed: 
)
) Andrew Davies

Director

Witness -

Signed: 

*I confirm that the above named signatory has
executed this document in my presence*

Print name: Martin Hendon

Address: 

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)
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)
)

Marcus Herkle

)

that the above named signator(y)(ies) has executed this document in my presence

Annette Erbstößer
