



Registration of a Charge

Company Name: **THAMES GATEWAY AIRPORT LIMITED**

Company Number: **05022155**



Received for filing in Electronic Format on the: **31/08/2021**

XAC140H7

Details of Charge

Date of creation: **26/08/2021**

Charge code: **0502 2155 0002**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description: **LEASEHOLD LAND AT HOLIDAY INN HOTEL, LONDON SOUTHEND
AIRPORT WITH TITLE NUMBER EX969926 FOR MORE DETAILS PLEASE
REFER TO INSTRUMENT**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

NIKITA KUMAR



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5022155

Charge code: 0502 2155 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th August 2021 and created by THAMES GATEWAY AIRPORT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st August 2021 .

Given at Companies House, Cardiff on 1st September 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 26 August **2021**

CERTAIN COMPANIES
as Chargors

GLAS TRUST CORPORATION LIMITED
as Security Agent

SECURITY AGREEMENT

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



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THIS DEED is made on 26 August 2021

BETWEEN:

- (1) **EACH COMPANY** listed in Schedule 1 (*Original Chargors*) as a chargor (each an *Original Chargor*); and
- (2) **GLAS TRUST CORPORATION LIMITED**, a company incorporated in England and Wales with registered number 07927175, 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) Terms defined in the Intercreditor Agreement have the same meanings when used in this Deed; and
- (b) in addition:

Accession Document means a deed of accession substantially in the form set out in Schedule 4 (*Form of Deed of Accession*) (or such other form as the Security Agent and the Borrower may agree);

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

Administrator means an administrator appointed under Schedule B1 to the Insolvency Act;

CA 2006 means the Companies Act 2006;

Cash Equivalent Investments means at any time:

- (a) certificates of deposit maturing within six months after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom or by an instrumentality or agency of any of them having an equivalent credit rating maturing within six months after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) any investment in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, and (ii) can be turned into cash on not more than 30 days' notice; or

(d) any other debt security approved by the Lender,

in each case, denominated in sterling and to which any member of the Borrower Group is alone (or together with other members of the Borrower Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Borrower Group or subject to any Security (other than any Security arising under the Transaction Security Documents);

Certificated Investments means Specified Investments in certificated form;

Chargor means any Original Chargor or any Additional Chargor;

Closing Date means the date on which the Loan is drawn down by the Borrower;

Convertible Facility Agreement means the loan agreement entered into on or about 2 July 2021 between the Borrower, the other Obligors referred to therein and CGIOF RIVER S.A R.L. as lender;

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;

Data Room means the data room made available by the Borrower Group to CGIOF River S.à. r.l. and its advisors through Datasite in connection with the Convertible Facility Agreement;

Debtor has the meaning given to it in the Intercreditor Agreement;

Debt Documents has the meaning given to it in the Intercreditor Agreement;

Default Rate means 1% over the Bank of England base rate;

Enforcement Instructing Group has the meaning given in the Intercreditor Agreement.

Enforcement Notice has the meaning given to it in the Intercreditor Agreement;

Event of Default has the meaning given to it in the relevant Finance Document;

Excluded Assets means, at the date hereof, the assets and contracts listed in Schedule 5 and any assets or contracts acquired or entered into hereafter by any Chargor which is either expressed to be personal to the Chargor or which contains a restriction on the Chargor on assignment, charging, granting any security interest or declaring a trust over rights in relation thereto without the consent of the relevant counterparty to the relevant contract which governs the Chargor's use, rights and/or ownership of such asset or contract;

Existing Relevant Contracts means:

- (a) the Airport Services Agreement dated 21 August 2019 with Wizz Air;
- (b) the Airport Services Agreement dated 12 June 2018 with Ryanair;
- (c) the Hotel Services Franchise Agreement dated 4 July 2011 with ING Hotels Limited;

- (d) the agreement relating to the operation of retail premises dated August 2016 with WDFG UK Limited; and
- (e) the Station Access Agreement dated 28 May 2020 with Abellio East Anglia Limited;
- (f) the Additional Passenger Rail Services Agreement dated 28 May 2020 with Abellio East Anglia Limited;

Finance Documents has the meaning given to it in the Intercreditor Agreement;

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above;

Hotel means Holiday Inn Southend Hotel, 77 Eastwoodbury Cres, Southend-on-Sea, SS2 6XG;

IA 1986 means the Insolvency Act 1986;

Insurance Policy means, in relation to a Chargor, all its right, title and interest from time to time in and to all contracts or policies of insurance of any kind in which that Chargor has an interest and all Related Rights;

Intellectual Property means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) any patents, trade marks, service marks, designs, logos, trade names, domain names, copyrights (including rights in computer software), database rights, semi-conductor topography rights, utility models, rights in designs, rights in get up, rights in inventions, rights in know-how, moral rights and other intellectual property rights and interests (which may now or in the future subsist), in each case whether registered or unregistered; and
- (b) the benefit of all applications and all rights to use the assets referred to in paragraph (a) above (which may now or in the future subsist),

in which that Chargor legally or beneficially has an interest (including those notified to the Security Agent pursuant to Clause 11 (*Intellectual Property*)) and, in each case, all Related Rights (and ***registered*** includes registrations and applications for registration);

Intercreditor Agreement means the intercreditor agreement entered into between, amongst others, each Chargor, Stobart Aviation Limited and the Security Agent on or before the Closing Date;

Investments means:

- (a) any Shares;
- (b) any equity securities, including shares, units, stock and other investments;
- (c) any debt securities and other forms of instrument giving rise to or acknowledging indebtedness, including bonds, notes, certificates of deposit, depository receipts, loan stock, debenture stock and coupons and other investments;
- (d) any Cash Equivalent Investments;
- (e) all interests in collective investment schemes or any investment fund and any other investments;
- (f) all warrants, options and other rights to subscribe for, purchase, call for delivery or otherwise acquire any investment of a type referred to in any of paragraphs (a) to (e) (inclusive) above; and
- (g) any other securities or investments deriving from Investments or any rights attaching or relating to securities or investments,

in which that Chargor has an interest, in each case, whether or not marketable, and whether held directly by or to the order of that Chargor or by any trustee, nominee, fiduciary or settlement or clearance system on its behalf, together with, in each case, all Related Rights;

Land Registry means the Land Registry of England and Wales;

Legal Reservations means any general principles of law limiting its obligations which are specifically referred to in any legal opinion delivered pursuant to Schedule 2 (Conditions Precedent) of the Convertible Facility Agreement;

Liabilities has the meaning given to it in the Intercreditor Agreement;

LPA 1925 means the Law of Property Act 1925;

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

Majority Senior Creditors has the meaning given to it in the Intercreditor Agreement;

Material Asset means: (i) London Southend Airport; (ii) the Hotel; (iii) the Train Station; and/or (iv) any related infrastructure or other asset required for the operation of the London Southend Airport which has a market value in excess of £1,000,000 and which is not otherwise being replaced;

Material Excluded Asset means an Excluded Asset which:

- (a) is a Material Asset (including a lease pursuant to which a Chargor enjoys the use and occupation of that Material Asset); and
- (b) is not a Relevant Contract;

Monetary Claims means, in relation to a Chargor, any book and other debts and monetary claims of any nature due, owing or payable to that Chargor (excluding any cash on deposit with any bank in an account in the name of any Chargor) and, in each case, all Related Rights;

Obligor means any Obligor as defined in the Convertible Facility Agreement;

Party means a party to this Deed;

Payment means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or other liabilities or obligations);

Permitted Disposal means any sale, lease, transfer or other disposal (other than any sale, lease, transfer or other disposal of a Material Asset):

- (a) made in the ordinary course of business of the disposing entity and on an arm's length basis (including, for the avoidance of doubt, (X) payments of cash to the Wider Group in respect of: (i) the Borrower Group's share of costs incurred by the Wider Group on behalf of the Borrower Group; and (ii) the purchase of tax losses from the Wider Group (for offset against current year taxes of the Borrower Group) at a price no greater than an arm's length price, and (Y) disposals of tax losses to other members of the Wider Group for value at a price no lower than an arm's length price));
- (b) of assets in exchange for or to be replaced by other assets comparable or superior as to type, value and quality;
- (c) of obsolete or redundant vehicles, plant and equipment for cash;
- (d) made at arm's length and on normal commercial terms;
- (e) the payment of cash for any purpose not prohibited by any Transaction Document;
- (f) made by an Obligor to another Obligor;

- (g) the short-term investment of funds not immediately required in the Obligor's business into Cash Equivalent Investments and the realisation of those investments;
- (h) of any asset which is the subject of any Asset-Financing Arrangement (and is subject of Permitted Security) in favour of a person other than the Lender and which ranks ahead of the Transaction Security granted over that asset in favour of the Lender, provided that at the time of any such disposal, no Event of Default or potential Event of Default has occurred and is continuing or would occur as a result of the disposal;
- (i) of assets in the making of a lawful distribution or other Restricted Payment provided that the Permitted Distribution Conditions are met;
- (j) of unused capital allowances which have accrued prior to the Closing Date by transfer from any member of the Borrower Group to the Wider Group;
- (k) in connection with any compulsory acquisition by another party;
- (l) where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable for any other sale, lease, transfer or other disposal, other than any permitted under paragraphs (a) to (j) above) does not exceed £500,000 (or its equivalent in another currency or currencies) in any financial year; or
- (m) as consented to by all of the Senior Creditors;

Permitted Security means:

- (a) any Transaction Security entered into pursuant to the Transaction Security Documents;
- (b) any Security or Quasi-Security granted in connection with any Asset-Financing Arrangements;
- (c) any cash management, netting or set-off arrangements entered into by any Obligor in the ordinary course of its business;
- (d) any payment, or close out netting or set-off arrangement or collateral arrangement pursuant to any hedging transaction entered into by an Obligor for the purpose of:
 - (i) hedging any risk to which any member of the Borrower Group is exposed in its ordinary course of business; or
 - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only;
- (e) any lien arising by operation of law and in the ordinary course of business;
- (f) any Security or Quasi-Security arising under any retention of title, title transfer, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to an Obligor in the ordinary course of business;

- (g) any Security or Quasi-Security created or permitted to exist with the prior written consent of the Majority Senior Creditors; or
- (h) any Security or Quasi-Security over any rental deposits in respect of Real Property leased or licensed by a member of the Borrower Group in respect of amounts representing not more than 12 months' rent or licence fee;

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;

Quasi-Security means an arrangement or transaction in which a Chargor:

- (a) creates or permits to subsist any Security over any of its assets;
- (b) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor;
- (c) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (d) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (e) enters into any other preferential arrangement having a similar effect,

in each case in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset;

Real Property means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) any freehold, leasehold, licence or other interest in any immovable property in which that Chargor has an interest (including the property identified in respect of that Chargor in Part A (*Real Property*) of Schedule 2 (*Security Assets*) (if any)) and all Related Rights; and
- (b) any buildings, trade and other fixtures or fittings forming part of the property referred to in paragraph (a) above and in which that Chargor has an interest and, in each case, all Related Rights;

Receiver means 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;

Related Rights means, in relation to any asset:

- (a) 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;
- (b) 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;
- (c) all other assets or rights at any time receivable or distributable in respect of, or in exchange or substitution for, that asset;
- (d) the proceeds of sale of all or any part of that asset;
- (e) any other monies or proceeds paid or payable in respect of all or any part of that asset; and
- (f) 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 Contracts means:

- (a) each Existing Relevant Contract, including any replacement contract or agreement in respect thereof;
- (b) any material contract or agreement in relation to real estate which is required for a material element of the operation of any Material Asset (but not being a lease pursuant to which a Chargor enjoys the use and occupation of a Material Asset); and
- (c) any other contract or agreement which is required for the operation of any Material Asset in respect of which the annual revenue generated for the Borrower Group exceeds or is expected to exceed £5 million;

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 Investments of any Chargor in any other Chargor or other member of the Group;

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;

Secured Liabilities 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 Debt 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 undertaking of each Chargor from time to time mortgaged, charged, pledged, assigned or which are the subject of a lien or other security interest securing any obligation (or expressed to be mortgaged, charged, pledged, assigned or which are expressed to be the subject of a lien or other security interest securing any obligation) pursuant to this Deed;

Senior Creditors has the meaning given to it in the Intercreditor Agreement;

Senior Discharge Date has the meaning given to it in the Intercreditor Agreement;

Shares means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) shares in any member of the Borrower Group (including any shares issued in the future) (including the shares identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any)); and
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares; and
- (c) any other shares, securities or investments deriving from such shares or any rights attaching or relating to any such shares; and
- (d) any other shares forming part of its Investments (including those Investments that are identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any)),

and, in each case, including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights;

Specified Investments means, in relation to a Chargor, all Investments which at any time:

- (a) represent a holding in a Subsidiary of such Chargor;
- (b) are held in the name of the Security Agent or its nominee or to its order; or
- (c) that Chargor has deposited certificates for with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee;

TA 2000 means the Trustee Act 2000;

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

Train Station means the train station owned by the Borrower known as “Southend Airport” located at Rochford, Southend-on-Sea SS4 1JD;

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 Intercreditor Agreement;

Voting Event means, in relation to a particular Specified Investment of any Chargor, the service of a notice by the Security Agent (either specifying that Specified Investment or generally in relation to all or a designated class of Specified Investments) on any Chargor on or following the service of an Enforcement Notice, specifying that control over the voting rights attaching to the Specified Investment or Specified Investments specified in that notice are to pass to the Security Agent; and

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 Intercreditor 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 present and future properties, revenues and rights of every description;
 - (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) “indebtedness” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

- (vii) “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, rule, treaty or requirement of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (viii) a “nominee” includes any nominee or custodian;
 - (ix) 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);
 - (x) “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;
 - (xi) a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (xii) “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
 - (xiii) “security” includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security, 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 “security interest” shall be construed accordingly.
- (b) Unless the context otherwise requires or a contrary indication appears:
- (i) a reference in this Deed to any Investment includes:
 - (A) all dividends, interest, coupons and other distributions paid or payable; and
 - (B) all stocks, shares, securities, rights, monies, allotments, benefits and other assets accruing or offered at any time by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise,
 in each case, in relation to that Investment;
 - (ii) 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;
- (iii) in this Deed a defined term includes its other cognate forms; and
- (iv) 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 24 (*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 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) In the event of 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 Debt Documents and/or any present or future facility or amount made available under any of the Debt Documents, including for the purposes of, or in connection with, any of the following: business acquisitions of any nature; increasing the commitments under any Debt Document; increasing the indebtedness (including adding a new facility) under any Debt 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

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

2.1 Primary Obligor

The Borrower and each Chargor shall, as primary obligor and not merely as surety, pay or discharge all of the Secured Liabilities when they become due in the manner provided for in the relevant Finance Document.

3. Creation of Security

3.1 Real Property

(a) Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of a first legal mortgage in favour of the Security Agent all its right, title and interest in and to the Real Property in England and Wales vested in it on the date of this Deed and acquired by it after the date of this Deed.

(b) To the extent not the subject of a mortgage under paragraph (a) above, each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of a first fixed equitable charge in favour of the Security Agent all its present and future right, title and interest in and to its Real Property owned by it on the date of this Deed and all Real Property acquired by it after the date of this Deed.

3.2 Specified Investments

Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of a first fixed charge in favour of the Security Agent all its right, title and interest in and to the Specified Investments belonging to it on the date of this Deed and acquired by it after the date of this Deed.

3.3 Plant and Machinery

Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 owned by it on the date of this Deed and acquired by it after the date of this Deed.

3.4 Monetary Claims

Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.5 Insurance Policies

(a) Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, assigns absolutely to the Security Agent all its present and

future right, title and interest in and to each of the Insurance Policies vested in it on the date of this Deed and acquired by it after the date of this Deed.

- (b) To the extent not effectively assigned under paragraph (a) above, each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 the Insurance Policies vested in it on the date of this Deed and acquired by it after the date of this Deed
- (c) To the extent not effectively assigned under paragraphs (a) or (b) above, each Chargor, as security for the payment of all Secured Liabilities, charges by way of fixed charge in favour of the Security Agent all of each Chargor's present and future right, title and interest in and to any proceeds received by any Chargor pursuant to any Insurance Policy in which it has an interest on the date of this Deed or acquired by it after the date of this Deed.

3.6 Relevant Contracts

- (a) Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, assigns absolutely to the Security Agent all its present and future right, title and interest in and to each of its Relevant Contracts vested in it on the date of this Deed and acquired by it after the date of this Deed.
- (b) To the extent not effectively assigned under paragraph (a) above, each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 Relevant Contracts vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.7 Intellectual Property

Each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 Intellectual Property vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.8 Miscellaneous

- (a) Each Chargor charges by way of a first fixed charge in favour of the Security Agent (to the extent not otherwise assigned, charged or mortgaged under Clauses 3.1 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive)) all its present and future right, title and interest in and to:
 - (i) any beneficial interest of it in, or claim or entitlement of it to, any assets of any pension fund;
 - (ii) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
 - (iii) its goodwill;

- (iv) rights in relation to its uncalled capital;
 - (v) any letter of credit issued in its favour; and
 - (vi) any bill of exchange or other negotiable instrument held by it.
- (b) To the extent that a Security Asset is not effectively assigned, charged or mortgaged in favour of the Security Agent in accordance with the applicable provisions of Clauses 3.1 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive), each Chargor shall hold on trust for the benefit of the Security Agent all its present and future right, title and interest in and to that Security Asset.
- (c) Notwithstanding any other provision of this Deed, the creation of any mortgage or trust expressed to be created under this Deed over any Relevant Interest that is at the time of that creation subject to any Restrictions Notice shall be conditional on the court making an order under paragraph 8 of Schedule 1B to the CA 2006 by virtue of paragraph 8(3)(b) of that Schedule.

3.9 Floating charge

- (a) Each Chargor charges by way of a first floating charge in favour of the Security Agent all its present and future assets, property, business, undertaking and uncalled capital of whatever type and wherever located, in each case, together with all Related Rights.
- (b) The floating charge created by each Chargor pursuant to paragraph (a) above shall be without prejudice to all Transaction Security that is a mortgage, an assignment or a fixed charge.
- (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.

3.10 Excluded Assets

Notwithstanding any security purported to be created pursuant to this Clause 3, no such security shall be created or subsist over any Excluded Asset and for so long as it remains an Excluded Asset.

3.11 Dealing with secured assets

- (a) Notwithstanding the creation of security pursuant to this Clause 3, prior to an Enforcement Notice being served on the Chargors, each Chargor shall be permitted to deal with any Security Assets in the ways not prohibited by the Finance Documents.
- (b) Upon written request by a Chargor, the Security Agent shall release any security granted by this Deed over a Security Asset if the Chargor reasonably requires the release of such security in order to deal with a Security Asset in a manner not prohibited by the Finance Documents, including in connection with the making of any Permitted Disposal.

4. Conversion of Floating Charge

4.1 Ranking

The floating charge created by each Chargor under Clause 3 ranks:

- (a) behind all the mortgages, fixed charges and assignments created by that Chargor; but
- (b) in priority to any other security over the Security Assets of that Chargor.

4.2 Automatic conversion

The floating charge created pursuant to paragraph (a) of Clause 3.9 (*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 all of each Chargor's assets, rights and property not already subject to an effective fixed charge if:

- (a) any Chargor takes any step to create any security or Quasi-Security in breach of Clause 7.1 (Restriction on dealings) over any of the Security Assets subject to that floating charge and the conversion shall take effect from the instant before the occurrence of that event; and
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any such Security Asset to the extent that such action would lead to an Event of Default following the expiry of any grace period.

4.3 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 3.9 (*Floating Charge*) with immediate effect into one or more fixed charges over all or any of that Chargor's assets, rights and property specified in that notice if:

- (a) an Enforcement Notice has been served upon a Chargor;
- (b) the Security Agent considers any Security Asset subject to that floating charge to be in danger of being seized or sold or otherwise disposed of otherwise than in relation to a Permitted Disposal or under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or

4.4 Moratorium – floating charge

- (a) Subject to paragraph (b) below, obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Part A1 of the IA 1986 (including any preliminary decision or investigation) in respect of a Chargor shall not:
 - (i) cause the floating charge over all or any of the Security Assets of that Chargor to crystallise until the date upon which it is permitted to crystallise in accordance with section A22 of the IA 1986; or
 - (ii) be a ground for the appointment of a Receiver of all or any part of the Security Assets of that Chargor.

- (b) Paragraph (a) above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the IA 1986.

4.5 Reconversion to floating charge

Any floating charge which has crystallised under Clause 4.2 (*Automatic conversion*) or Clause 4.3 (*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 3.9 (*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.

4.6 No waiver

The giving by the Security Agent of a notice under Clause 4.3 (*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 (d) of Clause 6 (*Provisions relating to Transaction Security*) and provided that, at the time of the request, no Enforcement Notice has been served upon a Chargor, promptly after the Senior Discharge Date, the Security Agent shall, at the request of the Borrower:

- (i) release and reassign to the relevant Chargor its rights, title and interest in and to the Security Assets; and
- (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,

in each case, without recourse to or any representation or warranty by any Secured Party or any other person.

- (b) Subject to the terms of the Intercreditor Agreement, at the request of the Borrower at any time prior to the Senior Discharge Date the Security Agent shall, in advance of any Permitted Disposal of a Security Asset by a Chargor:

- (c) release and reassign to the relevant Chargor its rights, title and interest in and to such Security Assets; and

- (i) 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,
- (ii) in each case without recourse to or any representation by any Secured Party or other person.

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 and any Permitted Security);
 - (iii) is created over the present and future assets of each Chargor other than the Excluded Assets; and
 - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Liabilities, 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 Liabilities.
- (b) 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 this Deed and the Intercreditor Agreement.
- (c) The Transaction Security created pursuant to this Deed by each Chargor is made with full title guarantee under LPMPA 1994.
- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.

- (h) No Chargor shall do, or permit to be done, anything which could be reasonably expected to prejudice the security interests created by this Deed in any way that is materially adverse to the interests of the Secured Parties.

7. Restriction on dealings

7.1 Restriction on dealings

- (a) No Chargor shall create or permit to subsist any Security over any of the Security Assets.
- (b) No Chargor shall:
 - (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor;
 - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - (iv) enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset, other than the creation of any Security as permitted under the terms of any Debt Document.
- (c) Paragraphs (a) and (b) above do not apply to Permitted Security.

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 Debt Document that would not otherwise apply to be imposed on the disposal of property by any Chargor.

8. Real Property

8.1 Representations and warranties – Real Property

Each Chargor represents and warrants to each Secured Party that:

- (a) it is the legal and beneficial owner of its Real Property;
- (b) other than as disclosed in folder 13.36 of the Data Room relating to any of its Real Property no breach of any law or regulation is outstanding which affects or would be reasonably likely to affect materially the value of its Real Property;
- (c) its Real Property is held by it free from any security (other than any Transaction Security or any Permitted Security); and
- (d) other than as disclosed in folder 13.36 of the Data Room relating to any of its Real Property, its Real Property is held free from any lease or licence which

would be reasonably likely to materially and adversely affect its value or saleability.

8.2 Positive Covenants

Each Chargor covenants that it shall:

- (a) **Documents:** Each Chargor shall promptly upon request by the Security Agent deposit with the Security Agent, and the Security Agent shall be entitled to hold, all title deeds and documents relating to that Chargor's present and future Real Property;
- (b) **Compliance with lease:** punctually pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Real Property and, to the extent that it makes commercial sense to do so, enforce the observance and performance by the landlord or licensor of its material obligations under any such document;
- (c) **Acquisitions:** notify the Security Agent promptly following its acquisition of any Real Property;
- (d) **Supplemental Legal Mortgage:** if, at any time and from time to time, a Chargor has any interest in any Real Property which is registered at the Land Registry (or which would be subject to first registration at the Land Registry on the creation of a mortgage over it), and which (for any reason) is also not subject to a legal mortgage under this Agreement or under any Accession Document at that time, the relevant Chargor will promptly execute and deliver to the Security Agent a supplemental legal mortgage, in the agreed terms, over that Real Property as security for the Secured Liabilities.
- (e) **Registration:** each Chargor shall, in respect of all Real Property in England and Wales owned by it on the date of this Deed or which it acquires in the future:
 - (i) promptly apply to the Land Registry for first registration of that Real Property (where that Real Property is capable of being registered at the Land Registry and is not already so registered) and for registration of it as proprietor of that Real Property;
 - (ii) promptly apply to the Land Registry to register the security created under this Deed and any supplemental legal mortgage created pursuant to paragraph (d) above unless such Real Property constitutes an Excluded Asset;
 - (iii) promptly pay all applicable registration fees; and
 - (iv) promptly deal with any requisitions by the Land Registry relating to that Real Property and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such requisitions and its response to any such requisitions,

or, if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to the Land Registry, that Chargor shall provide the Security Agent within a reasonable period of such notice all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

- (f) **Title Information Document:** on completion of the registration of any security pursuant to this Clause 8.2, the relevant Chargor shall as soon as reasonably practicable supply to the Security Agent a certified copy of the relevant Title Information Document issued by the Land Registry or, as the case may be, Certificate of Registration of Land Charge issued by the Land Charges Registry.
- (g) **Power to Remedy:** if a Chargor does not comply with any provision of this Clause 8.2, the Security Agent, or any agent, contractor or other person required by the Security Agent, may take any action reasonably required by the Security Agent to comply with any such provision if, unless an Event of Default has occurred and is continuing, the Security Agent has given the relevant Chargor reasonable prior notice of such proposed action. The cost and expense of any such action shall be borne by the relevant Chargor.

8.3 **Negative Covenant**

No Chargor shall (without the prior written consent of the Security Agent) enter into any onerous or restrictive obligation affecting its Real Property or create or permit to arise any overriding interest or any easement or right whatever in or over it which, in each case, would be reasonably likely to affect materially and adversely its value or the value of the Security constituted by this Agreement over it.

8.4 **Consolidation of Mortgages**

Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Agreement.

9. **Specified Investments**

9.1 **Representations and warranties – Specified Investments**

Each Chargor represents and warrants to each Secured Party that:

- (a) the Specified Investments which it purports to charge under this Deed are duly authorised, validly issued and fully paid;
- (b) 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 Specified Investments pursuant to Part 9 of the CA 2006 or otherwise;
- (c) it is the sole legal and beneficial owner of those Specified Investments (other than, where relevant, in respect of the legal ownership of any of its Specified Investments 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);
- (d) there is nothing in its (or any other member of the Group's) constitutional documents or any instrument, document, agreement or arrangement to which

it (or any other member of the Group) is a party or otherwise which restricts or prohibits its entry into, or the performance by it of its obligations under, this Deed with respect to the Specified Investments or which could impede or impair any right or remedy of the Security Agent under or in respect of this Deed in relation to the Specified Investments, including in respect of the perfection of any transfer of any Specified Investments of any Chargor;

- (e) it (and each other member of the Group) 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;
- (f) it has not (and no other member of the Group has) 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;
- (g) it has not (and no other member of the Group has) 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
- (h) the copy of its PSC Register (and that of each other member of the Group, in each case, if that Chargor or other member of the Group is required to maintain one) that was delivered to the Security Agent on the date of this Deed:
 - (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 – Specified Investments

- (a) Each Chargor shall, on the date of this Deed or, if later, immediately upon becoming entitled to any Certificated Investment deliver to the Security Agent or otherwise as the Security Agent may direct, in the agreed form:
 - (i) all certificates, documents of title and other documentary evidence of ownership relating to its Certificated Investments (other than any Cash Equivalent Investments); and

- (ii) all transfers duly executed by that Chargor (or its nominee) in respect of its Certificated Investments (other than any Cash Equivalent Investments), undated and with the name of the transferee left blank and other documents relating to the Certificated Investments reasonably required by the Security Agent.
- (b) Each Chargor shall, on the date of this Deed or, if later, immediately upon becoming entitled to any Specified Investment:
 - (i) deliver to the Security Agent or otherwise as the Security Agent may direct, in the agreed form, all documents that the Security Agent may reasonably require in respect of that Chargor's Specified Investments (unless delivered by that Chargor pursuant to paragraph (a) above), including any documentary evidence of ownership in respect of those Specified Investments and any documents to enable the Security Agent (or the Security Agent's nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to, those Specified Investments; and
 - (ii) terminate, with immediate effect, any rights of any person (other than the Security Agent or the Security Agent's nominee) to enjoy or exercise any right relating to any of that Chargor's Specified Investments whether pursuant to Part 9 of the CA 2006 or otherwise.

9.3 Changes to Specified Investments

- (a) Other than as expressly permitted under each Finance Document (if any) and the Intercreditor 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:
 - (i) may result in the rights attaching to, in respect of or conferred by any Specified Investments of any Chargor being altered in a manner which is materially adverse to the interests of the Secured Parties;
 - (ii) may materially prejudice the value of any Specified Investments of any Chargor or the ability of the Security Agent to realise the Transaction Security in respect of those Specified Investments; or
 - (iii) is otherwise inconsistent with the terms of any Finance Document.
- (b) Immediately following the acquisition by any Chargor (or its nominee) of any Specified Investments after the date of this Deed, that Chargor shall notify the Security Agent of the same.

9.4 Notification

Each Chargor shall as soon as reasonably practicable notify the Security Agent of any intention of which it becomes aware for any Specified Investment to be held in uncertificated form.

9.5 Rights before Voting Event or Enforcement Notice

Subject to paragraph (a) of Clause 9.3 (*Changes to Specified Investments*):

- (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 Specified Investments; and
 - (ii) if any Specified Investments 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 Specified Investments 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 Investments of any Chargor shall remain with that Chargor and shall not pass to the Security Agent or any other Secured Party, provided that:

- (a) it does so for a purpose not inconsistent with any Finance Document; and
 - (b) the exercise of or, as the case may be, the failure to exercise those rights would not have a material adverse effect on the value of the relevant Specified Investments or the Security Assets or the ability of the Security Agent to realise the security and would not otherwise prejudice the interests of any Secured Party under any Finance Document; and
- (b) before the service of an Enforcement Notice:
 - (i) each Chargor shall be entitled to receive and retain all dividends and other income and distributions paid or payable in relation to its Specified Investments; and
 - (ii) if any Specified Investments 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:
 - (A) use reasonable endeavours to forward to that Chargor all notices, correspondence and other communications that it receives in relation to those Specified Investments; and
 - (B) promptly execute any dividend mandate necessary to ensure that any dividends and other income and distributions paid or payable in respect of those Specified Investments are paid to that Chargor or, if payment is made directly to the Security Agent (or its nominee), promptly pay those amounts to that Chargor.

9.6 Rights after Voting Event or Enforcement Notice

- (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

Specified Investments 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 Specified Investments with effect from the occurrence of that Voting Event to the extent that those Specified Investments remain registered in that Chargor's name (or that of its nominee) and each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights; and
- (iii) if any Specified Investment is held in the name of a nominee of a Chargor, that Chargor shall promptly upon request by the Security Agent deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Agent and each Receiver (if applicable), as the attorney of the holder and shall be in such form as the Security Agent requires.

(b) On and after the service of an Enforcement Notice:

- (i) 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 Specified Investments; and
- (ii) each Chargor shall hold all dividends and other income and distributions paid or payable in respect of its Specified Investments on trust for the Security Agent, pending payment to the Security Agent for application in accordance with Clause 21 (*Application of Proceeds*), and each Chargor waives its rights to any such amounts.

9.7 Other obligations relating to Specified Investments

- (a) At any time when any Specified Investments 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 Specified Investments 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 Specified Investments.

- (b) Each Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Specified Investments. If a Chargor does not comply with this requirement, the Security Agent may pay that call or other payment on behalf of that Chargor, and the relevant Chargor shall within 3 Business Days of a request by the Security Agent reimburse the Security Agent for any payment made by the Security Agent under this paragraph (b).
- (c) Except for the appointment of a proxy to act at a general meeting, 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 Specified Investments whether pursuant to Part 9 of the CA 2006 or otherwise.
- (d) 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 (or that other member of the Group) issues the Warning Notice or Restrictions Notice.
- (e) Each Chargor shall immediately:
 - (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 each case, immediately following the making of the change.
- (f) Each Chargor shall:
 - (i) comply with its obligations under the CA 2006 and any associated law within any necessary timeframes in so far as those obligations relate to any Specified Investments;
 - (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 Specified Investments of any Chargor or any Relevant Interest of any Chargor, any other member of the Borrower Group or any Affiliate of any member of the Borrower 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 (f)(ii) and (f)(iii) above, immediately following compliance with the notice or request, that Chargor shall provide to the Security Agent a copy of its response to that notice or request.

- (g) Notwithstanding paragraph (d) 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.
- (h) No Chargor 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 unless it notifies the Security Agent of its intention to make the application (or similar) at least five Business Days before doing so.
- (i) Each Chargor shall 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.
- (j) 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 (f)(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.

10. Relevant Contracts

10.1 Representations and warranties – Relevant Contracts

Each Chargor represents and warrants to each Secured Party that its obligations under each Relevant Contract to which it is a party (and, so far as it is aware, the obligations of each other party to each such Relevant Contract) are valid, legally binding and, subject to the Legal Reservations, enforceable in accordance with their terms.

10.2 Notice – Relevant Contracts

- (a) Each Chargor shall deliver to the Security Agent on the date of this Deed (or, in respect of any Relevant Contract entered into or designated as such after the date of this Deed, on the date of entry into or designation of that Relevant Contract), details of each of its Relevant Contracts (unless those details are set out in Part C (*Relevant Contracts*) of Schedule 2 (*Security Assets*) or any schedule to any Accession Document). Such details shall include the date of each Relevant Contract, the parties to it and its description.
- (b) Save with respect to Relevant Contracts which are Excluded Assets, each Chargor shall within five Business Days after the date of this Deed (or, in respect of any Relevant Contract (not being an Excluded Asset) entered into or designated as such after the date of this Deed, within five Business Days after the date of entry into or designation of that Relevant Contract):
 - (i) give notice to each counterparty to each of its Relevant Contracts substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Relevant Contracts*); and
 - (ii) use reasonable endeavours to ensure that each such counterparty 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 Relevant Contracts*).
- (c) The entry into this Deed by each Chargor shall constitute written notice to that Chargor and acknowledgment by that Chargor of that notice, in each case, substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Relevant Contracts*), of any assignment or charge created pursuant to this Deed over any Relevant Contract (which is not an Excluded Asset).
- (d) If any Relevant Contract which is an Excluded Asset is to be amended or supplemented in any material respect (whether in connection with a novation, extension or replacement or otherwise) or any new Relevant Contract is to be entered into by any Chargor, the relevant Chargor shall, having regard to the relationship with the counterparty to the relevant Relevant Contract and any potential adverse effect on the negotiations by the Borrower Group with the relevant counterparty, use reasonable endeavours to include provisions in such Relevant Contract or to obtain the consent of the relevant counterparty which either expressly permit or otherwise do not restrict:
 - (i) the granting of fixed or floating first ranking Transaction Security, including an assignment by way of security, in respect of such Relevant Contract; and
 - (ii) the assignment, transfer, novation or other disposal of all the rights and obligations of the relevant Obligor under the Relevant Contract to any person (or persons together) acquiring all or substantially all the assets of (or any substantial part of the assets comprising the business conducted by) the relevant Obligor.

- (e) If a Relevant Contract is an Excluded Asset but subsequently is no longer an Excluded Asset or the Chargor has obtained the consent of the relevant counterparty to such Relevant Contract for such Chargor to grant security in relation thereto as contemplated pursuant to Clause 10.2(d) above, the relevant Chargor(s) party to such Relevant Contract shall take the steps required pursuant to Clause 10.2(b) above.

10.3 Other obligations relating to Relevant Contracts

- (a) Each Chargor shall take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its Relevant Contracts in all material respects (whether or not those rights and remedies have 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 and provided that the Chargor, acting reasonably considers that to enforce its rights thereunder is in its commercial interests.
- (b) Before the service of an Enforcement Notice but subject to the other provisions of this Clause 10.3, in respect of a Relevant Contract which is not an Excluded Asset, each Chargor shall be entitled to exercise all of the rights and remedies expressed to be given to it under or in respect of such Relevant Contract 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 counterparty) 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 counterparty).

10.4 Exercise of rights on Enforcement Notice

On and after the service of an Enforcement Notice:

- (a) In respect of any Relevant Contract which is not an Excluded Asset, the Security Agent may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any Chargor's rights or remedies (including direction of any payments to the Security Agent) under or in respect of any Relevant Contract to which that Chargor is a party (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 Chargor shall hold any payment that it receives under or in respect of its Relevant Contracts on trust for the Security Agent, and transfer or pay the same immediately to the Security Agent for application in accordance with Clause 21 (*Application of Proceeds*), and each Chargor waives its rights to any such payment.

11. Intellectual Property

Each Chargor shall, every six months, provide to the Security Agent details of any registered Intellectual Property of such Chargor (unless those details are set out in any

schedule to any Accession Document), and those details shall include such information as the Security Agent may reasonably require.

12. Insurances

12.1 Documents

Upon the delivery of an Enforcement Notice, each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, such contracts and policies of insurance taken out by or on behalf of the relevant Chargor and the related premium receipts, and such other documents relating to that Chargor's Insurance Policies (save where that Insurance Policy is an Excluded Asset), as the Security Agent requires.

12.2 Sole loss payee

Upon the delivery of an Enforcement Notice, each Chargor shall use its reasonable endeavours to ensure that each contract and policy of insurance taken out by or on behalf of it names the Security Agent as sole loss payee in respect of any claims to be made by a Chargor.

12.3 Enforceability

No Chargor shall do or omit to do or permit to be done or omitted anything which could reasonably be expected to render any of its Insurance Policies which are material in the context of its business void, voidable or unenforceable.

12.4 Payment to Chargor bank account

Each Chargor shall procure that any proceeds received by any Chargor pursuant to any Insurance Policy shall be paid into a bank account of the relevant Chargor that is secured pursuant to the Transaction Security.

12.5 Power to insure

If a Chargor does not maintain or have the benefit of insurances with reputable independent insurance companies or underwriters on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business, the Security Agent may take out any insurances of the assets of that Chargor or any of them reasonably required by the Security Agent and may take any action reasonably required by the Security Agent to comply with any such provision. The cost and expense of any action referred to in this Clause 12.4 shall be borne by the relevant Chargor.

12.6 Notice of assignment

Upon the delivery of an Enforcement Notice, each Chargor shall give notice of the security in respect of any Insurance Policies created pursuant to Clause 3 (*Creation of Security*) of this Deed (in such form as is acceptable to the Security Agent) to the extent that any such Insurance Policy is at that time not an Excluded Asset and shall use its reasonable endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement.

12.7 Use of proceeds

Following the delivery of an Enforcement Notice, the proceeds of any insurance claim shall be applied in accordance with the terms of Clause 21 (*Application of Proceeds*) unless required to be applied otherwise pursuant to the relevant Insurance Policy.

13. Material Excluded Assets

- (a) If a Chargor is unable to grant security over a Material Excluded Asset:
 - (i) that Chargor shall as soon as reasonably practicable notify the Security Agent (which notice shall be deemed given in respect of those Excluded Assets listed in Schedule 5 hereto);
 - (ii) until the consent of the relevant party has been obtained, this Deed shall secure all amounts which that Chargor may receive, or has received, in respect of the relevant Material Excluded Asset but exclude any fixed or floating security over, or any assignment of, the relevant Material Excluded Asset;
 - (iii) if the Security Agent so requires (which requirement shall be deemed in the case of the Material Excluded Assets referenced in Part A of Schedule 5), that Chargor shall, having reasonable regard to the relationship with the relevant counterparty and any potential adverse effect on the negotiations by the Borrower Group with the relevant counterparty, use reasonable endeavours to obtain the consent of the relevant party to the creation of security over or, as the case may be, an assignment of, the rights in respect of the relevant Material Excluded Asset pursuant to this Deed as soon as reasonably practicable; and
 - (iv) on the date on which the consent of the relevant party is obtained, the fixed security over or, in respect of a Material Excluded Asset expressed to be subject to an assignment, the assignment of, the rights in respect of such Material Excluded Asset under this Deed shall attach thereto.
- (b) Each Chargor shall use reasonable endeavours to include provisions in any contract relating to an asset which, upon the entry into of such contract after the date of this Deed, is to be a Material Asset (including any lease pursuant to which a Chargor enjoys the use and occupation of a Material Asset), which either expressly permit or otherwise do not restrict the following:
 - (A) the granting of fixed or floating first ranking Transaction Security, including an assignment by way of security; and
 - (B) the assignment, transfer, novation or other disposal of all the rights and obligations of the relevant Chargor under such contract to any person (or persons together) acquiring all or substantially all the assets of (or any substantial part of the assets comprising the business conducted by) the relevant Chargor,

such that the relevant Security Asset would not become an Excluded Asset or in relation to any contract (including any lease) which constitutes a Material

Asset at the date of this Deed to obtain the consent of the relevant counterparty to such contract, to the granting of fixed or floating first ranking Transaction Security, including an assignment by way of security in respect of such Material Asset.

- (c) If a Material Excluded Asset is no longer an Excluded Asset because the relevant Chargor has obtained the consent of the relevant counterparty to grant security in relation thereto as contemplated by Clause 13(a), the relevant Chargor shall notify the Security Agent that security may be granted over the relevant Material Excluded Asset and subsequently take the following steps within five Business Days following such consent being obtained:
 - (i) where appropriate, give notice to the relevant counterparty of the creation of such security; and
 - (ii) use reasonable endeavours to ensure that each such counterparty delivers to the Security Agent a duly completed acknowledgment of that notice.

14. Representations and warranties

Each Chargor represents and warrants that each Excluded Asset is an asset which, by virtue of contractual obligations to third-parties or law, cannot be mortgaged, charged, pledged, assigned or be the subject of a lien or other security interest securing any obligation.

15. Enforcement of Transaction Security

15.1 Timing and manner of enforcement

- (a) The Transaction Security shall become enforceable and the powers referred to in Clause 15.2 (*Extension and variation of powers under the LPA 1925*) shall become exercisable immediately upon the service of an Enforcement Notice.
- (b) Without prejudice to any other provision of this Deed, immediately following the service of an Enforcement Notice, 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 Debt 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 Debt Documents.

- (c) Without prejudice to any other provision of this Deed, upon the serving of an Enforcement Notice, each Chargor shall hold its Security Assets on trust for the Security Agent.

15.2 Extension and variation of powers under the LPA 1925

- (a) The Secured Liabilities 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.

15.3 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 service of an Enforcement Notice, irrespective of whether the Security Agent has taken possession of any Security Asset or appointed a Receiver.

15.4 Restrictions on notices

Before the service of an Enforcement Notice, the Security Agent shall not give any notice, notification or instruction referred to in paragraph 3 of the notice served on a counterparty to any Relevant Contract in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Relevant Contracts*) to that counterparty.

15.5 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 Liabilities 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 Debt 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 15.5, ***purchaser*** includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

15.6 Redemption of prior security

- (a) The Security Agent or any Receiver may at any time after the service of an Enforcement Notice:
 - (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 15.6, 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.

15.7 **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 Liabilities and, for this purpose, the value of the financial collateral so appropriated shall be:
 - (i) in the case of cash, the amount standing to the credit of each bank account in the name of any Chargor, together with any accrued but unposted interest at the time the right of appropriation is exercised; and
 - (ii) in the case of any Specified Investments (or any other financial collateral), the market price of those Specified Investments (or that other financial collateral) determined (after appropriation) by the Security Agent or any Receiver in a commercially reasonable manner (including by reference to a public index or independent valuation).
- (b) The Parties agree that the methods of valuation set out in paragraphs (a)(i) and (a)(ii) above are commercially reasonable methods of valuation for the purposes of the FCR Regulations.

16. **Receiver**

16.1 **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 16.6 (*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.

16.2 **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.

16.3 **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.

16.4 **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.

16.5 **Remuneration**

- (a) The Security Agent may:
 - (i) subject to section 36 of the IA 1986, determine the reasonable 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 reasonable Costs and Expenses of that Receiver.

16.6 Powers of Receivers

Notwithstanding the dissolution of any Chargor, any Receiver appointed pursuant to Clause 16.1 (*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 Intercreditor Agreement 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;
- (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, transfer, assign, hire out, lend, licence, exchange, convert into money, or otherwise dispose of and realise any Security Asset (including any fixtures and fittings, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender 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 desirable or necessary for realising all or any part of any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of any Finance Document or law; and
- (u) to use the name of any Chargor for any of the purposes set out in paragraphs (a) to (t) (inclusive) *above*.

16.7 Rights of Security Agent

At any time after an Enforcement Notice has been served, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have appointed a Receiver of all or any part of the Security Assets.

17. 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 17 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) 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 17.

18. Preservation of Security

18.1 Reinstatement

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:

- (a) 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
- (b) 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.

18.2 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 Liabilities;
- (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 Debt 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 Debt Document or any other document or any security, guarantee or indemnity; or
- (l) any dissolution, insolvency or similar proceedings.

18.3 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 by reason of performance (or a claim for performance) by it of its obligations under the Finance Documents 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 21 (*Application of Proceeds*).

18.4 **Security held by Chargors**

No Chargor shall, without the prior written consent of the Security Agent, such consent not to be unreasonably withheld, hold or otherwise take the benefit of any security from any other Obligor in respect of any Chargor’s liability under this Deed.

18.5 **Additional security/non-merger**

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 Liabilities or any other amount due by any Chargor to any Secured Party.

18.6 **New accounts and ruling off**

- (a) Any Secured Party may open a new account in the name of any Chargor at any time after a subsequent security affects any Security Asset or if any 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 Liabilities.

18.7 Appropriations

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

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

19. Further Assurances

- (a) Subject to clauses 10.2 (*Notice – Relevant Contracts*) and 13 (*Material Excluded Assets*), each Chargor shall, at its own expense, take whatever action (including making and assisting with all filings, applications and registrations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or a Receiver may reasonably require or consider expedient (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)) for:
 - (i) creating, perfecting or protecting any Transaction Security intended to be created by or pursuant to this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of security) or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Finance Documents or by law;
 - (ii) upon the service of an Enforcement Notice, facilitating the realisation of any Security Asset;
 - (iii) creating or perfecting security in favour of the Security Agent over the assets of that Chargor located in any jurisdiction outside England and Wales; and/or
 - (iv) upon the service of an Enforcement Notice, facilitating the exercise of any right, power or discretion exercisable by the Security Agent or any Receiver in respect of any Security Asset, including:

- (A) 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;
 - (B) the transfer of legal and/or equitable title in any existing or future Real Property to a third party (including after the exercise of any right of appropriation pursuant to Clause 15.7 (*Right of appropriation*)); and
 - (C) the giving of any notice, order or direction and the making of any filing or registration..
- (b) Subject to clauses 10.2 (*Notice – Relevant Contracts*) and 13 (*Material Excluded Assets*), each Chargor shall take all such action as is available to it (including making and assisting with all filings, applications and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Deed.

20. Power of Attorney

20.1 Appointment

- (a) Conditional upon the service of an Enforcement Notice or following a failure by the relevant Chargor to comply with any request made of it by the Security Agent pursuant to Clause 18 (*Further Assurances*), 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 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, or under any law (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))).
- (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 15.7 (*Right of appropriation*).

20.2 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 20.1 (*Appointment*).

21. Application of Proceeds

21.1 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 or in connection with the realisation or enforcement of all or any part of the Transaction Security shall be held on trust to be applied in accordance with clause 15.2 (*Order of application post-Enforcement Trigger Event*) of the Intercreditor Agreement.

- (b) The order of application referred to in paragraph (a) *above* shall override any appropriation by any Chargor.

21.2 **Receiver's receipts**

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

22. **Payments**

22.1 **Demands**

Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Secured Liabilities or an inaccurate or incomplete statement of them.

22.2 **Payments**

All payments by any Chargor under this Deed after the service of an Enforcement Notice shall be made to such account, with such financial institution and in such other manner as the Security Agent may direct.

22.3 **Contingencies**

If all or any part of the Transaction Security is enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

23. **Expenses and Indemnities**

Each Chargor shall:

- (a) pay and reimburse within 3 Business Days each Secured Party, attorney, manager or other person (including each of their respective agents, employees and officers) appointed by the Security Agent or a Receiver under this Deed (each, an ***Indemnified Person***), on the basis of a full indemnity, all reasonably incurred Costs and Expenses reasonably and properly incurred by that Indemnified Person in connection with the holding, preservation or enforcement or the attempted preservation or enforcement of any Secured Party's rights under this Deed or otherwise in connection with the performance of this Deed or any documents required pursuant to (or in connection with) this Deed, including any reasonably incurred Costs and Expenses arising from any actual or alleged breach by any person of any law, agreement or regulation, whether relating to the environment or otherwise (including the investigation of that breach), in each case, 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; and

- (b) keep each Indemnified Person indemnified against any failure or delay in paying the Costs and Expenses and interest referred to in paragraph (a) *above*.
- (c) Any Indemnified Person who is not a Party may rely on this Clause 22 and enforce its terms under the Third Parties Act.

24. Changes to Parties

24.1 Transfer by the Security Agent

- (a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the Senior Creditors and the Borrower.
- (b) Alternatively, the Security Agent may resign by giving 30 days' notice to the Senior Creditors and the Borrower, in which case the Enforcement Instructing Group may appoint a successor Security Agent.
- (c) If the Enforcement Instructing Group have not appointed a successor Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent (after consultation with the Convertible Facility Lender and each Super Senior Agent) may appoint a successor Security Agent.
- (d) The retiring Security Agent shall, at its own cost, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Debt Documents. The Borrower shall, within three Business Days of demand, reimburse the retiring Security Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (e) The Security Agent's resignation notice shall only take effect upon:
 - (i) the appointment of a successor; and
 - (ii) the transfer of all the Security Property to that successor.
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph (d) above) (and any Security Agent fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.
- (g) The Enforcement Instructing Group may, by notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Borrower.

- (h) Each Chargor shall, immediately upon a request from the Security Agent, enter into such documents and do all such acts as may be necessary or desirable to effect the assignment or transfer referred to in paragraph (a) to (g) *above*.

24.2 Accession

- (a) Subject to the terms of the other Debt Documents, a member of the Borrower 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 Borrower Group becoming Chargors as contemplated by the relevant Debt Document(s) and irrevocably appoints the Borrower as its attorney, with full power of substitution, for the purposes of executing any Accession Document for and on behalf of that Chargor.

25. Miscellaneous

25.1 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 not become enforceable; and
- (b) no amount of the Secured Liabilities 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.

25.2 Security Agent's liability

None of the Security Agent, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) shall (either by reason of taking possession of any Security Asset or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor or any other person for any Costs and Expenses relating to:

- (a) the realisation of any Security Asset or the taking of any other action permitted by this Deed; or
- (b) resulting from or arising in connection with any act, neglect, default, omission or misconduct of the Security Agent, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) in relation to any Security Asset or in connection with any Finance Document,

in each case, except to the extent directly caused by its or his/her own negligence or wilful misconduct, and each such person who is not a Party may rely on this Clause 25.2 and enforce its terms under the Third Parties Act.

25.3 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.

25.4 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.

25.5 Determinations

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

25.6 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.

25.7 Joint and several liability

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

26. 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.

27. 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 21 (*Application of Proceeds*).

28. 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 parties hereto.

29. 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.

30. Notices

30.1 Notices

Subject to Clause 30.2 (*Notices through Borrower*), any notice or other communication to be served under or in connection with this Deed shall be made in accordance with clause 31 (*Notices*) of the Convertible Facility Agreement and those clauses (other than paragraph (c) of clause 31.3 (*Delivery*)) of the Convertible Facility 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.

30.2 Notices through Borrower

- (a) All communications and documents from any Chargor shall be sent through the Borrower and all communications and documents to any Chargor may be sent through the Borrower.
- (b) Any communication or document made through or delivered to the Borrower in accordance with this Clause 30.2 shall be deemed to have been made by or delivered to each relevant Chargor.
- (c) Each Chargor irrevocably authorises and appoints the Borrower on its behalf to give any notice and receive any acknowledgment that is required to be given or received (as applicable) pursuant to Clause 10.2 (*Notice – Relevant Contracts*), and to give and receive any other notices, acknowledgments or communications in connection with this Deed, in each case, in such form as the Borrower may agree with the Security Agent.

31. 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.

32. Governing Law

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

33. Enforcement

33.1 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.
- (c) This Clause 33.1 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

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 |
|---|--------------------------------------|--------------------------|
| London Southend Airport Company Limited | England and Wales | 02881745 |
| Thames Gateway Airport Ltd. | England and Wales | 05022155 |
| Stobart Solar Ltd. | England and Wales | 09225106 |
| Stobart Jet Centre Ltd. | England and Wales | 10841425 |

Schedule 2
Security Assets

Part A Real Property

| Chargor | Freehold/leasehold | Description | Title number |
|---|---------------------------|---|---------------------|
| London Southend Airport Company Limited | Freehold | Land on the western side of Southend Road, Rochford | EX3937 |
| London Southend Airport Company Limited | Freehold | Land on the west side of Southend Road, Rochford | EX21870 |
| London Southend Airport Company Limited | Freehold | Land on the west side of Southend Road, Rochford | EX683340 |
| London Southend Airport Company Limited | Freehold | Land on the west side of Avro Road, Southend-on-Sea | EX811330 |
| London Southend Airport Company Limited | Freehold | 20 Smallholdings, Eastwoodbury Lane, Southend-on-Sea (SS2 6UP) | EX578232 |
| London Southend Airport Company Limited | Freehold | 19 Smallholdings, Eastwoodbury Lane, Southend-on-Sea (SS2 6UP) | EX589308 |
| London Southend Airport Company Limited | Freehold | 1 Eastwoodbury Cottages, Eastwoodbury Lane, Southend-on-Sea (SS2 6UR) | EX596136 |
| London Southend Airport Company Limited | Freehold | 2 Eastwoodbury Cottages, Eastwoodbury Lane, Southend-on-Sea (SS2 6UR) | EX573524 |
| London Southend Airport Company Limited | Freehold | 3 Eastwoodbury Cottages, Eastwoodbury Lane, Southend-on-Sea (SS2 6UR) | EX604152 |

| | | | | |
|------------------------|------------------|---|--|----------|
| London Airport Limited | Southend Company | Freehold | 4 Eastwoodbury Cottages, Eastwoodbury Lane, Southend-on-Sea (SS2 6UR) | EX590259 |
| London Airport Limited | Southend Company | Freehold | Land on the west side of Southend Road, Rochford (SS4 1HQ) | EX468707 |
| London Airport Limited | Southend Company | Freehold | Land lying to the north of 12 Small Holdings, Eastwoodbury Land, Southend-on-Sea (SS2 6UU) | EX772767 |
| London Airport Limited | Southend Company | Leasehold Date: 20 March 1971 Term: 23 years from 01 July 1970 Parties: (1) The Mayor Alderman and Burgesses of the Borough of Southend-on-Sea & (2) Southend-on-Sea Light Aviation Centre Limited | Land Lying To The East Of Aviation Way, Southend-On-Sea | EX216541 |
| London Airport Limited | Southend Company | Leasehold Date: 28 October 2015 Term: 999 years from 01 September 2015 Parties: (1) Louise Mills & Ricky Anthony Mills & (2) London Southend Airport Company Limited | Land At 53 Southend Road, Rochford (SS4 1HH) | EX940971 |
| London Airport Limited | Southend Company | Leasehold Date: 30 September 2011 Term: 25 years from 30 September 2011 | A Chimney, 51 Southend Road, Rochford (SS4 1HH) | EX903161 |

| | | | |
|--------------------------------|---|--|----------|
| | Parties: (1) Eileen Lillian Marshall & (2) London Southend Airport Company Limited | | |
| Thames Gateway Airport Limited | <p>Leasehold</p> <p>Date: 27 February 2018</p> <p>Term: 25 years from 27 February 2018</p> <p>Parties: (1) IMP Investments Limited & (2) Thames Gateway Airport Limited & (3) Stobart Group Limited</p> | <p>Holiday Inn Hotel, London Southend Airport</p> <p>Term - 25 years from 27.02.2018 to 26.02.2043</p> | EX969926 |
| Stobart Solar Limited | <p>Leasehold</p> <p>Date: 19 November 2015</p> <p>Term: 25 years from 19 November 2015</p> <p>Parties: (1) Southend on Sea Borough Council & (2) Stobart Solar Limited</p> | <p>Land at Aviation Way Southend Airport Southend on Sea</p> <p>Term – 25 years from 19.11.2015</p> | EX930812 |
| Stobart Solar Limited | <p>Leasehold</p> <p>Date: 19 November 2015</p> <p>Term: 25 years from 19 November 2015</p> <p>Parties: (1) Southend on Sea Borough Council & (2) Stobart Solar Limited</p> | <p>Land at Aviation Way Southend Airport Southend on Sea</p> <p>Term – 25 years from 19.11.2015</p> | EX930812 |
| Thames Gateway Airport Limited | <p>Leasehold</p> <p>Date: 27 February 2018</p> <p>Term: 25 years from 27 February 2018</p> <p>Parties: (1) IMP Investments Limited & (2) Thames Gateway Airport Limited & (3) Stobart Group Limited</p> | <p>Holiday Inn Hotel, London Southend Airport</p> <p>Term - 25 years from 27.02.2018 to 26.02.2043</p> | EX969926 |

| | | | |
|---|--|---|----------|
| London Southend Airport Company Limited | Leasehold Date: 15 July 2011 Term: 18 July 2011 – 28 March 2144 Parties: (1) Network Rail Infrastructure Limited & (2) London Southend Airport Company Limited & (3) Stobart Rail Limited | Land lying to the west of Southend Road, Rochford | EX870383 |
|---|--|---|----------|

Part B Shares

| Chargor | Issuer/member of the Group | Number and class of shares | Details of nominees holding legal title |
|---|----------------------------|----------------------------|---|
| London Southend Airport Company Limited | Thames Gateway Airport Ltd | 1 ordinary share of £1 | N/A |
| London Southend Airport Company Limited | Stobart Solar Ltd | 1 ordinary share of £1 | N/A |
| London Southend Airport Company Limited | Stobart Jet Centre Ltd | 1 ordinary share of £1 | N/A |

Part C Relevant Contracts

| Chargor | Date of Relevant Contract | Parties | Description |
|---|---------------------------|----------------------------|---------------------------|
| London Southend Airport Company Limited | 24 August 2011 | Chardon Management Limited | Hotel Management Contract |

Schedule 3

Form of Notice and Acknowledgment for Relevant Contracts

To: [Counterparty to relevant Relevant Contract]

Copy: [•] as Security Agent

Date: [•]

Dear Sir / Madam,

Security agreement dated [•] between [us and certain other companies (as chargors)] and [•] (the Security Agent) (the Security Agreement) – Notice of assignment

1. We refer to the Security Agreement. This is notice that, pursuant to the Security Agreement, we, [•] and [•] (each a **Chargor**) have assigned absolutely (subject to a proviso for reassignment in accordance with the Security Agreement) to the Security Agent (on behalf of certain Secured Parties referred to in the Security Agreement) all our [respective] right, title and interest in and to [insert details of relevant Relevant Contract] (the **Relevant Contract**). Further, [[each Chargor has agreed]/[we have agreed]] in the Security Agreement that the Security Agent is to have all the rights and remedies of an assignee in respect of the Relevant Contract and that the exercise by [[each Chargor]/[us]] of any rights or remedies in respect of the Relevant Contract is pursuant to the limited authority given to [that Chargor/[us]] pursuant to the terms of the Security Agreement and is without prejudice to the assignment by [[each Chargor]/[us]] of the Relevant Contract to the Security Agent under and on the terms of the Security Agreement. [We confirm to you that we are authorised to give this notice on behalf of the other Chargors.]
2. [On behalf of each Chargor,]we confirm that:
 - (a) [[each Chargor]/[we]] shall remain liable under the Relevant Contract to perform all the obligations assumed by [[it]/[us]] under the Relevant Contract; 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 Relevant Contract.
3. Notwithstanding the assignment by [[each Chargor]/[us]] of [[its]/[our]] rights under the Relevant Contract to the Security Agent, [[each Chargor]/[we]] shall be entitled to exercise all of the rights expressed to be given to [[it]/[us]] thereunder, and you should continue to give notices under the Relevant Contract to [[each Chargor]/[us]], until such time as the Security Agent provides written notification to the contrary. Thereafter (unless the Security Agent otherwise agrees in writing), all rights in respect of the Relevant Contract (including the right to direct payments of amounts due thereunder to another account) shall be exercisable by the Security Agent and notices under the Relevant Contract should be given to the Security Agent or as it directs.
4. You are authorised and instructed (without requiring further approval from [[any Chargor]/[us]]) to provide the Security Agent with such information relating to the Relevant Contract as it may from time to time request.

5. 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 us and without enquiry by you as to the justification for or validity of any request, notice or instruction.
6. 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 and will not claim, exercise or enforce any right of set-off, counterclaim or similar right in respect of the Relevant Contract, without the prior written consent of the Security Agent;
 - (c) you have not received notice of the interest (of whatever nature) of any third party in the Relevant Contract or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in the Relevant Contract;
 - (d) [you shall notify the Security Agent of any breach by [[any Chargor]/[us]] of any term of the Relevant Contract and shall allow the Security Agent or the Secured Parties referred to in this notice to remedy that breach]; and
 - (e) you will not amend any term of, or terminate or rescind, the Relevant Contract without the prior written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with this notice are governed by English law.
8. 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
[[Chargor]/[[Parent]]
and as authorised agent of the other Chargors

.....
for and on behalf of
[•] as Security Agent

[On acknowledgment copy]

To: [•] as Security Agent
[Address]

Copy to: [[Chargor][Parent]]

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

.....
for and on behalf of
[Counterparty to relevant Relevant Contract]

Date: [•]

Schedule 4

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) [●] for itself and as attorney for each of the other Chargors as defined in the Security Agreement referred to below (the *Parent*); and
- (3) [●] for itself and as agent and trustee for each of the other Secured Parties as defined in the Security Agreement referred to below (the *Security Agent*).

WHEREAS:

- (A) The Additional Chargor is a wholly-owned Subsidiary of the Borrower.
- (B) The Borrower has entered into a security agreement dated [●] (the *Security Agreement*) between, among others, the Borrower (as an Original Chargor), the other Original Chargors and the Security Agent.
- (C) The Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Security Agreement. The 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 Security Agreement have the same meanings when used in this Deed; and
 - (ii) the provisions of clause 1.2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed, except that references to the Security Agreement 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 Additional Chargor:

- (a) shall become a party to the Security Agreement in the capacity of a Chargor; and

- (b) shall be bound by, and shall comply with, all of the terms of the Security Agreement which are expressed to be binding on a Chargor,

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

3. Creation of Security

3.1 General

Clauses 3.2 (*Real Property*) to 3.10 (*Floating charge*) (inclusive) of this Deed apply without prejudice to the generality of Clause 2 (*Accession*) of this Deed.

3.2 Real Property

- (d) The Additional Chargor charges with full title guarantee and as security for the payment of all Secured Liabilities charges by way of a first legal mortgage in favour of the Security Agent all its right, title and interest in and to the Real Property in England and Wales vested in it on the date of this Deed and acquired by it after the date of this Deed.
- (a) To the extent not the subject of a mortgage under paragraph (a) above, each Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of a first fixed equitable charge in favour of the Security Agent all its present and future right, title and interest in and to its Real Property owned by it on the date of this Deed and all Real Property acquired by it after the date of this Deed.

3.3 Specified Investments

The Additional Chargor with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of a first fixed charge in favour of the Security Agent all its right, title and interest in and to the Specified Investments belonging to it on the date of this Deed and acquired by it after the date of this Deed.

3.4 Plant and Machinery

The Additional Chargor with full title guarantee and as security for the payment of all Secured Liabilities, 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 owned by it on the date of this Deed and acquired by it after the date of this Deed.

3.5 Monetary Claims

The Additional Chargor with full title guarantee and as security for the payment of all Secured Liabilities, 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 vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.6 Insurance Policies

- (a) The Additional Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, assigns absolutely to the Security Agent all its present and future right, title and interest in and to each of the Insurance

Policies vested in it on the date of this Deed and acquired by it after the date of this Deed.

- (b) To the extent not effectively assigned under paragraph (a) above, the Additional Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 the Insurance Policies vested in it on the date of this Deed and acquired by it after the date of this Deed
- (c) To the extent not effectively assigned under paragraphs (a) or (b) above, the Additional Chargor, as security for the payment of all Secured Liabilities, charges by way of fixed charge in favour of the Security Agent all of each Chargor's present and future right, title and interest in and to any proceeds received by any Chargor pursuant to any the Insurance Policy in which it has an interest on the date of this Deed or acquired by it after the date of this Deed.

3.7 Relevant Contracts

- (a) The Additional Chargor with full title guarantee and as security for the payment of all Secured Liabilities, assigns absolutely to the Security Agent all its present and future right, title and interest in and to each of its Relevant Contracts vested in it on the date of this Deed and acquired by it after the date of this Deed.
- (b) To the extent not effectively assigned under paragraph (a) above, each Additional Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, 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 Relevant Contracts vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.8 Intellectual Property

The Additional Chargor with full title guarantee and as security for the payment of all Secured Liabilities, 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 Intellectual Property vested in it on the date of this Deed and acquired by it after the date of this Deed.

3.9 Miscellaneous

- (a) The Additional Chargor charges by way of a first fixed charge in favour of the Security Agent (to the extent not otherwise assigned, charged or mortgaged under Clauses 3.1 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive)) all its present and future right, title and interest in and to:
 - (i) any beneficial interest of it in, or claim or entitlement of it to, any assets of any pension fund;
 - (ii) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
 - (iii) its goodwill;

- (iv) rights in relation to its uncalled capital;
 - (v) any letter of credit issued in its favour; and
 - (vi) any bill of exchange or other negotiable instrument held by it.
- (b) To the extent that a Security Asset is not effectively assigned, charged or mortgaged in favour of the Security Agent in accordance with the applicable provisions of Clauses 3.2 (*Real Property*) to 3.8 (*Intellectual Property*) (inclusive) of this Deed, the Additional Chargor shall hold on trust for the benefit of the Security Agent all its present and future right, title and interest in and to that Security Asset.
- (c) Notwithstanding any other provision of this Deed or any provision of the Security Agreement, the creation of any mortgage or trust expressed to be created under this Deed over any Relevant Interest that is at the time of that creation subject to any Restrictions Notice shall be conditional on the court making an order under paragraph 8 of Schedule 1B to the CA 2006 by virtue of paragraph 8(3)(b) of that Schedule.

3.10 Floating charge

- (a) The Additional Chargor charges by way of a first floating charge in favour of the Security Agent all its present and future assets, property, business, undertaking and uncalled capital of whatever type and wherever located, in each case, together with all Related Rights.
- (b) The floating charge created by the Additional Chargor pursuant to paragraph (a) *above* shall be without prejudice to all Transaction Security that is a mortgage, an assignment or a fixed charge.
- (c) The floating charge created by the 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.

3.11 Excluded Assets

Notwithstanding any security purported to be created pursuant to this Clause 3, no such security shall be created or subsist over any Excluded Asset and for so long as it remains an Excluded Asset.

3.12 Dealing with secured assets

- (a) Notwithstanding the creation of security pursuant to this Clause 3, prior to an Enforcement Notice being served on the Chargors, each Chargor shall be permitted to deal with any Security Assets unless otherwise prohibited by the Finance Documents.
- (b) Upon written request by a Chargor, the Security Agent shall release any security granted by this Deed over a Security Asset if the Chargor reasonably requires the release of such security in order to deal with a Security Asset in a manner not prohibited by the Finance Documents, including in connection with the making of any Permitted Disposal.

4. Relationship between this Deed and the Security Agreement

- (a) With effect from the date of this Deed:
- (i) the Security Agreement shall be read and construed for all purposes as if:
 - (A) the Additional Chargor had been an original party to the Security Agreement in the capacity of a Chargor;
 - (B) the rights, obligations and liabilities of, under or in connection with the Security Agreement apply to the Additional Chargor in the capacity of a Chargor; and
 - (C) the provisions of the Security Agreement which are consistent with this Deed, or in respect of which this Deed is silent, apply to the 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 Security Agreement 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 Security Agreement shall include this Deed; and
 - (iii) unless the context otherwise requires, any reference in the Security Agreement to “this Deed” and similar phrases shall include this Deed and all references in the Security Agreement to any relevant schedule to the Security Agreement (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 other than the Excluded Assets; and
 - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Liabilities, 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 Liabilities.
- (c) The Security Agent holds the benefit of this Deed, the Security Agreement 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 the Additional Chargor is made with full title guarantee under the LPMPA 1994.
- (e) If the Security Agent reasonably considers, on the basis of independent legal advice, 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 Additional Chargor under this Deed, the Security Agreement 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 the Additional Chargor (other than a payment obligation) contained in this Deed or the Security Agreement:
 - (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 Additional Chargor for the benefit of the Security Agent and each other Secured Party.
- (g) Notwithstanding anything contained in this Deed or the Security Agreement or implied to the contrary, the 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.
- (h) If any Security Asset of the Additional Chargor is held by any person (including any nominee) on behalf of the Additional Chargor, the Additional Chargor shall procure that any such person performs the obligations of the Additional Chargor in respect of that Security Asset under this Deed and the Security Agreement.

5. Borrower acknowledgement

The Borrower, for itself and as agent for each of the other Chargors under the Security Agreement, 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 Real Property

| [Additional Chargor] | Freehold/leasehold | Description | Title number |
|---------------------------------|---------------------------|--------------------|---------------------|
| [•] | [•] | [•] | [•] |

Part B Shares

| [Additional Chargor] | Issuer/member of the Group | Number and class of shares | Details of nominees holding legal title |
|---------------------------------|---------------------------------------|---------------------------------------|--|
| [•] | [•] | [•] | [•] |

Part C Insurance Policies

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

Part D Relevant Contracts

| [Additional Chargor] | Date of Relevant Contract | Parties | Description |
|---------------------------------|--------------------------------------|----------------|--------------------|
| [•] | [•] | [•] | [•] |

Part E Intellectual Property

| Trade marks | | | | |
|---------------------------------|------------------------------|--|----------------|------------------|
| [Additional Chargor] | Trade mark number | Jurisdiction/ apparent status | Classes | Mark text |
| [•] | [•] | [•] | [•] | [•] |

| Patents | | |
|-------------------------|---------------|-------------|
| [Additional Chargor] | Patent number | Description |
| [•] | [•] | [•] |

Schedule 5
Excluded Assets

Part A Real Property

| Chargor | Freehold/leasehold | Description | Title number |
|---|--|---|--------------|
| London Southend Airport Company Limited | Leasehold Dated: 30 March 1994 Term: 150 years from 31 March 1994 Parties: (1) Southend Borough Council Airport Limited & (2) London Southend Airport Company Limited | Southend Airport, Eastwoodbury Crescent, Southend-on-Sea | EX515913 |
| London Southend Airport Company Limited | Leasehold Date: 6 July 2012 Term: 10 years from 6 July 2012 Parties: (1) Southend –on-Sea Borough Council Airport Limited & (2) London Southend Airport Company Limited | Land On The South-East Side Of Rochford Road, Southend-On-Sea | EX892143 |
| London Southend Airport Company Limited | Leasehold Dated: 20 June 2012 Term: 20 June 2012 to 31 March 2144 Parties: (1) Southend Borough Council Airport Limited & (2) London Southend Airport Company Limited | Land on the south side of Eastwoodbury Lane, Southend-on-Sea | EX880489 |

Part B Relevant Contracts

| Chargor | Date of Relevant Contract | Parties | Description |
|---------|---------------------------|---------|-------------|
|---------|---------------------------|---------|-------------|

| | | | |
|---|---|--|--|
| London Southend Airport Company Limited | 21 August 2019 | London Southend Airport Company Limited and Wizz air Hungary Limited | Airport Services Agreement |
| London Southend Airport Company Limited | 12 June 2018 (as amended by letters dated 26 September 2019, 11 August 2020, and 1 June 2021) | Stobart Group and Ryanair Designated Activity Company | Agreement for airport services agreement |
| London Southend Airport Company Limited | 4 July 2011 | London Southend Airport Company Limited and IHG Hotels Limited | Hotel Services Franchise Agreement |
| London Southend Airport Company Limited | August 2016 | WDFG UK Limited | Agreement relating to the operation of retail premises |
| London Southend Airport Company Limited | 28 May 2020 | Abellio East Anglia Limited | Station Access Agreement |
| London Southend Airport Company Limited | 24 August 2011 | Chardon Management Limited | Hotel Management Contract |
| London Southend Airport Company Limited | 28 May 2020 | Abellio East Anglia Limited | Additional Passenger Rail Services Agreement |

Part C Insurance Policies

| Chargor | Insurer | Policy number | Description |
|---|---------------------------------|---|---|
| London Southend Airport Company Limited | AIG | 0013005771 | Environmental impairment liability |
| London Southend Airport Company Limited Stobart Jet Centre Ltd | Chubb 65% Liberty Mutual 35% | Chubb UKPKNC41037 Liberty Mutual 1000087846-02 | PD BI Aviation Aviation Services LTA Expiry 28/02/2022 |
| Thames Gateway Airport Limited | CNA Insurance Company Limited | 10145746 | Combined Thames Gateway coverage: Material Damage, Business Interruption and Money covering |

| Chargor | Insurer | Policy number | Description |
|---|--|------------------------------|---|
| | | | the risks of All Risks including Full Theft, Subsidence, Landslip and Heave, Terrorism GB and Loss of Money, Employers' Liability and Public/Products Liability |
| Thames Gateway Airport Limited | QBE UK Limited | Y086562QBE0121A | Excess Liability Thames Gateway |
| Thames Gateway Airport Limited | Allianz Insurance plc | NK26726319 | Computer & Terrorism, Thames Gateway |
| London Southend Airport Company Limited | Marsh Ltd Networks Practice - RSA | B0901LO2017933 | Public Liability Rail Station |
| London Southend Airport Company Limited | Marsh Ltd Networks Practice - Aviva | B04604325584202 ¹ | 1st Excess PL Rail Station |
| London Southend Airport Company Limited | Marsh Ltd Networks Practice – Bureau leader QBE Casualty Syndicate | B046032553082021 | Excess P ^L 2nd Rail Station |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | HDI Global SE | 110-08290178-30025 | Employers Liability |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | HDI Global SE | 110-08290178-30010 | Public Liability Primary |
| London Southend Airport Company Limited, Thames | QBE UK Limited | Y08652QBE0121A | Excess Liability - Group |

| Chargor | Insurer | Policy number | Description |
|---|--|---------------|---|
| Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | | | |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | HSB Haughton Engineering Insurance Ltd | 205620 | Engineering Inspection |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | Allianz Insurance plc | NK26726317 | Computer Terrorism Airport |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | Allianz Insurance plc | NK26909196 | Solar Farm – Engineering |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | Haywards Aviation | B0758A210878 | Aviation war, hi-jacking and other perils excess liability Insurance. |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and | Haywards Aviation | B0758A216990 | Airport and ground handling legal liability insurance |

| Chargor | Insurer | Policy number | Description |
|---|---------------------|------------------|-------------------------------|
| Stobart Jet Centre Limited | | | |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | Protector Insurance | 587072-5.1 | Motor fleet |
| London Southend Airport Company Limited, Thames Gateway Airport Limited, Stobart Solar Limited and Stobart Jet Centre Limited | Allianz | 53/NN/29122538/3 | Amendment to terrorism policy |

Signature Pages

Borrower

EXECUTED as a **DEED** by
LONDON SOUTHEND
AIRPORT COMPANY
LIMITED acting by two directors


Signed



Print name: L. J. S. G. J. J. J.

Director

Signed:



Print name: N. J. L. W. S. T. H.

Director

Guarantors

EXECUTED as a **DEED** by
THAMES GATEWAY
AIRPORT LIMITED acting by
two directors

Signed:



Print name: *Lin...S...G...D...J*

Director

Signed: ..



Print name: *N...J...W...D...H*

Director

EXECUTED as a **DEED** by
STOBART SOLAR LIMITED
acting by two directors

Signed



Print name: *James Stewart*

Director

Signed: ...



Print name: *N. Dilworth*

Director

EXECUTED as a **DEED** by
STOBART JET CENTRE
LIMITED acting by two directors

Signed:



Print name: Lewis Gordon

Director

Signed: .



Print name: N. Dilworth

Director

Security Agent

EXECUTED as a DEED by
ATTORNEY for and
on behalf of GLAS TRUST
CORPORATION LIMITED in
the presence of the specified
witness

Signed

Print name: Lee Morrell
Transaction Manager

Authorised signatory

Witness -

Signed:

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

Print name: PHILIPPA MORRELL

Address: 162 PALMALL ROAD CROYDON CRO6 1X
UK