

MR01

Particulars of a charge

✓ 051145/13

Oyez

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument is not a charge

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration**
21 days beginning with the day after the date of creation of the
charge. If the form is delivered outside of the 21 days it will be rejected unless it is a
court order extending the time for delivery

☐ You **must** enclose a certified copy of the instrument with this form
which will be scanned and placed on the public record

TUESDAY



LD3

L2C8103N

09/07/2013

COMPANIES HOUSE

#57

1 Company details

Company number 05088289

Company name in full AA Mid Co Limited

8

For official use

Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 02/07/2013

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Deutsche Trustee Company Limited

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below



I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

Not applicable

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01

Particulars of a charge

8

Trustee statement ¹

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Frederick's Brothers Design LLP* X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name

Peter Mason

Company name

Freshfields Bruckhaus Deringer LLP

[076105-0970]

Address

65 Fleet Street

London

England

Post town

United Kingdom

County/Region

Postcode

E C 4 Y 1 H S

Country

DX

DX 23 London/Chancery Lane

Telephone

020 7936 4000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5088289

Charge code: 0508 8289 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd July 2013 and created by AA MID CO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th July 2013.

Given at Companies House, Cardiff on 12th July 2013



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 2 JULY 2013

AA MID CO LIMITED
(as *Chargor*)

DEUTSCHE TRUSTEE COMPANY LIMITED
(as *Obligor Security Trustee*)

TOPCO SECURITY AGREEMENT

This Topco Security Agreement is entered into subject to the terms of the STID

CERTIFIED A TRUE AND COMPLETE COPY
OF THE ORIGINAL

~~FRESHFIELDS BRUCKHAUS DERINGER LLP~~
FRESHFIELDS BRUCKHAUS DERINGER LLP
65 FLEET STREET
LONDON
EC4Y 1HS

SAVE FOR MATERIAL REDACTED PURSUANT
TO S859G OF THE COMPANIES ACT 2006



FRESHFIELDS BRUCKHAUS DERINGER

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London EC4Y 1HS

CONTENTS

CLAUSE	PAGE
1. INTERPRETATION	1
2. COVENANT TO PAY	3
3. CREATION OF SECURITY	4
4. CONVERSION OF FLOATING CHARGE	4
5. RELEASE	5
6. PROVISIONS RELATING TO TOPCO SECURITY	5
7. RESTRICTION ON DEALINGS	6
8. REPRESENTATIONS AND WARRANTIES	6
9. HOLDCO SHARES	7
10. ENFORCEMENT OF TOPCO SECURITY.	9
11. ADMINISTRATOR	11
12. RECEIVER	12
13. POWERS OF RECEIVERS	13
14. DELEGATION.	15
15. PRESERVATION OF SECURITY INTERESTS	16
16. FURTHER ASSURANCES	18
17. POWER OF ATTORNEY	19
18. APPLICATION OF PROCEEDS	19
19. EXPENSES AND INDEMNITIES	19
20. CHANGES TO PARTIES	20
21. MISCELLANEOUS	20
22. PARTIAL INVALIDITY	21
23. NOTICES	21
24. COUNTERPARTS	22
25. GOVERNING LAW AND ENFORCEMENT	22
SCHEDULE 1 SECURITY ASSETS	24

THIS SECURITY AGREEMENT is made on 2 July 2013.

BETWEEN

AA MID CO LIMITED a limited liability company incorporated in England and Wales, with the registered number 5088289 (the *Chargor*), and

DEUTSCHE TRUSTEE COMPANY LIMITED for itself and as security trustee for each of the other Topco Secured Creditors (as defined below) (the *Obligor Security Trustee*)

WHEREAS

(A) The Chargor has undertaken to fulfil the Topco Covenant to Pay in accordance with and on the terms of the Topco Payment Undertaking

(B) The Obligor Security Trustee is appointed in its capacity as obligor security trustee pursuant to the terms of the STID

(C) It is a condition of the Class B Authorised Credit Facilities that the Chargor enters into this Deed.

(D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows

1. INTERPRETATION

1.1 Definitions

In this Security Agreement, unless the context otherwise requires, (a) words and expressions defined in the Master Definitions Agreement shall have the same respective meanings, and (b) the following words and expressions shall have the meanings given to them in this Clause 1

Holdco Shares means the shares in Holdco owned legally or beneficially by the Chargor or held by the Obligor Security Trustee or any nominee on its behalf (including the shares identified in Schedule 1 (*Security Assets*)) and all Related Rights

Intra-Group Loans means any loan made from the Chargor to any of its Subsidiaries

Master Definitions Agreement means the master definitions agreement dated on or about the date of this Agreement and made between, amongst others, the Chargor and the Obligor Security Trustee

Related Rights means, in relation to any asset

- (a) all rights under any licence, agreement for sale or agreement for lease or other use in respect of all or any part of that asset,
- (b) all rights, powers, benefits, claims, contracts, warranties, remedies, covenants for title, security, guarantees or indemnities in respect of any part of that asset,
- (c) the proceeds of sale of all or any part of that asset; and

- (d) any other moneys paid or payable in respect of that asset.

Security Assets means all the assets and undertaking of the Chargor from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) pursuant to this Security Agreement

Security Interest means

- (a) any mortgage, pledge, lien, charge, assignment or hypothecation or other encumbrance securing any obligation of any person,
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having similar effect

Topco Discharge Date the date on which all of the Topco Secured Liabilities have been irrevocably discharged in full

1.2 Construction

- (a) The provisions of part B (*Construction*) of schedule 1 to the Master Definitions Agreement shall apply to this Security Agreement as if set out in full with references to "this Agreement" being treated as references to this Security Agreement
- (b) A reference in this Security Agreement to any stock, share, debenture, loan stock, security, bond, warrant, coupon, interest in any investment fund and any other investment includes
 - (i) all dividends, interest, coupons and other distributions paid or payable,
 - (ii) all stocks, shares, securities, rights, moneys, 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,
 - (iii) all certificates or other evidence or title;
 - (iv) any rights against any clearance system and any right under any custodian or other agreement,in relation to that stock, share, debenture, loan stock, security, bond, warrant, coupon, interest in any investment fund or other investment
- (c) Unless the context otherwise requires, a reference to a Security Asset includes
 - (i) any part of that Security Asset,
 - (ii) any proceeds of sale of that Security Asset, and
 - (iii) any present and future assets of that type

- (d) The fact that the details of any assets in the Schedules are incorrect or incomplete shall not affect the validity or enforceability of this Security Agreement in respect of the assets of the Chargor.
- (e) Insofar as this Security Agreement relates to the creation of security in favour of the Obligor Security Trustee, this Security Agreement is entered into subject to the STID and to the extent that any provision of this Security Agreement is inconsistent with the STID, the STID will prevail. Without limitation, the provisions of clause 37 (*Activities of the Obligor Security Trustee*) and clause 38 (*Remuneration and Indemnification of the Obligor Security Trustee*) of the STID shall apply to this Security Agreement.

1.3 Trustee Act 1925 and Trustee Act 2000

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

1.4 Third parties

- (a) Except as otherwise expressly provided in Clause 10.5(a) (*Protection of third parties*), Clause 19 (*Expenses and Indemnities*) or elsewhere in this Security Agreement, the terms of this Security Agreement may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.
- (b) Notwithstanding any term of this Security Agreement and subject to clause 44 (*Protection of Third Parties*) of the STID, no consent of a third party is required for any termination or amendment of this Security Agreement.

2. COVENANT TO PAY

- (a) The Chargor, as primary obligor and not merely as surety, covenants with the Obligor Security Trustee that it will pay or discharge promptly on demand all of the Topco Secured Liabilities on the date(s) on which such Topco Secured Liabilities are expressed to become due and in the manner provided for in the Topco Payment Undertaking.
- (b) The Chargor acknowledges to the Obligor Security Trustee that the amount secured by this Security Agreement and in respect of which this Security Agreement and the security hereby created is enforceable is the full amount of the Topco Secured Liabilities.

3. CREATION OF SECURITY

3.1 Legal Mortgages

The Chargor charges and agrees to charge in favour of the Obligor Security Trustee by way of first legal mortgage the Holdco Shares belonging to it on the date of this Security Agreement.

3.2 Fixed charges

The Chargor charges and agrees to charge in favour of the Obligor Security Trustee by way of first fixed charge all its rights, title and interest from time to time in and to

- (a) the Holdco Shares (to the extent not the subject of a mortgage under Clause 3.1 (*Legal Mortgage*)), and
- (b) the Intra-Group Loans

3.3 Floating charge

- (a) The Chargor charges in favour of the Obligor Security Trustee by way of first floating charge the whole of its undertaking and all of its property and assets whatsoever and wheresoever situate, present and future, other than any property or assets from time to time or for the time being effectively charged by way of legal mortgage or fixed charge by this Clause 3
- (b) The floating charge created by the Chargor pursuant to paragraph (a) of this Clause 3.3 shall be deferred in point of priority to all other Topco Security
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to all floating charges created pursuant to this Security Agreement

4. CONVERSION OF FLOATING CHARGE

4.1 Conversion by notice

The Obligor Security Trustee may by notice in writing to the Chargor convert the floating charge created by the Chargor under Clause 3.3(a) (*Floating charge*) with immediate effect into fixed charges as regards all or any of the Chargor's assets, rights and property specified in the notice if

- (a) a Topco Enforcement Instruction has been delivered, or
- (b) the Obligor Security Trustee considers any Security Asset subject to such floating charge to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy, or
- (c) the Obligor Security Trustee considers that such conversion is desirable in order to protect the value of the Security Assets or the priority of the Topco Security

4.2 Automatic conversion

The floating charge created under Clause 3.3(a) (*Floating charge*) shall automatically and immediately be converted into a fixed charge over all of the Chargor's assets, rights and property not already subject to an effective fixed charge

- (a) if the Chargor takes any step to create any Security Interest in breach of Clause 7 (*Restriction on dealings*) over any of the Security Assets subject to such floating charge, or
- (b) if any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Security Assets subject to such floating charge, or
- (c) on the occurrence of a Share Enforcement Event in respect of the Chargor of the Initial Class B IBLA or any equivalent terms of any Class B Authorised Credit Facility

4.3 Moratorium

The floating charge created under Clause 3 3(a) (*Floating charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under the Insolvency Act 2000

4.4 Reconversion to floating charge

Any floating charge which has crystallised under Clause 4 1 (*Conversion by notice*) or Clause 4 2 (*Automatic conversion*) may by notice in writing given at any time by the Obligor Security Trustee (acting on the instructions of the Topco Secured Creditors (through their Secured Creditor Representative) to the Chargor be reconverted into a floating charge under Clause 3 3(a) (*Floating charge*) in relation to the assets, rights and property specified in such notice

5. RELEASE

- (a) Upon the irrevocable payment, discharge and performance of all of the Topco Secured Liabilities (but subject to paragraph (f) of Clause 6 (*Provisions relating to Topco Security*)) and provided that no Share Enforcement Event shall have occurred and be subsisting at the date of the request), the Obligor Security Trustee shall, at the request and cost of the Chargor

- (i) release to the Chargor the rights, title and interest in and to the Security Assets, and
 - (ii) execute such notices and directions to any persons as the Chargor may reasonably require in order to give effect to such release,

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

- (b) The Obligor Security Trustee shall at the cost of the Chargor release the Topco Security in accordance with clause 16 5 (*Release of Topco Security on Discharge of Topco Secured Liabilities*) of the STID

6. PROVISIONS RELATING TO TOPCO SECURITY

- (a) All Topco Security created pursuant to this Security Agreement
 - (i) is created in favour of the Obligor Security Trustee for itself and on behalf of each of the other Topco Secured Creditors,

- (ii) is created over the present and future assets of the Chargor, and
 - (iii) is a continuing security for the payment, discharge and performance of all of the Topco Secured Liabilities and will extend to the ultimate balance of all sums payable under the Topco Transaction Documents regardless of any intermediate payment or discharge in whole or in part.
- (b) The Topco Security created pursuant to this Security Agreement shall be in addition to and not in substitution for or derogation of any other security (whether given by the Chargor or otherwise) now or from time to time hereafter held by the Obligor Security Trustee or any other Topco Secured Creditor in respect of or in connection with any or all of the Topco Secured Liabilities
 - (c) The Obligor Security Trustee holds the benefit of this Security Agreement on trust for itself and each of the other Topco Secured Creditors
 - (d) The Topco Security created pursuant to this Security Agreement by the Chargor is made with full title guarantee under the Law of Property (Miscellaneous Provisions) Act 1994
 - (e) If the Obligor Security Trustee considers that an amount paid to a Topco Secured Creditor under a Topco Transaction Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then the Topco Security and the liability of the Chargor under this Security Agreement shall continue and that amount will not be considered to have been irrevocably paid for the purposes of this Security Agreement

7. RESTRICTION ON DEALINGS

The Chargor may not

- (a) create or permit to subsist any Security Interest on any of the Security Assets; or
- (b) (whether by a single transaction or a number of related or unrelated transactions and whether at the same time or over a period of time) assign, charge, transfer or dispose of all or any part of its rights, title and interest in and to the Security Assets,

unless permitted to do so under the Initial Class B IBLA and any other Class B Authorised Credit Facility

8. REPRESENTATIONS AND WARRANTIES

8.1 Representations and warranties

The Chargor represents and warrants to each Topco Secured Creditor as follows

- (a) **Accuracy of information** As at the date of this Security Agreement, Schedule 1 (*Security Assets*) identifies all of the Holdco Shares in which it has any interest (whether direct or indirect),
- (b) **Security Assets**
 - (i) It is the sole legal and beneficial owner of, and absolutely entitled to, the assets it purports to mortgage or charge under this Security Agreement (save,

where relevant, in respect of the legal ownership of any of its Holdco Shares registered in the name of its nominee or in the name of the Obligor Security Trustee (or its nominee) pursuant to this Security Agreement)

- (ii) It has not mortgaged, charged or assigned or otherwise encumbered or disposed of any of the assets it purports to mortgage or charge under this Security Agreement
- (iii) The assets it purports to mortgage or charge under this Security Agreement are free from any Security Interest or option to purchase or similar right

8.2 Times for making representations and warranties

The representations and warranties set out in Clause 8.1 (*Representations and warranties*)

- (a) are made by the Chargor on the date of this Security Agreement, and
- (b) (other than in the case of the representations and warranties set out in paragraph (i) Clause 8.1(b) (*Security Assets*)) are deemed to be repeated by the Chargor on each date prior to the Topco Discharge Date on which any of the representations and warranties set out in clause 32 (*Representations and Warranties*) of the Initial Class B IBLA, or any equivalent provision of any other Class B Authorised Credit Facility, are deemed to be repeated under clause 32.29 (*Times for making representations and warranties*) of the Initial Class B IBLA, or any equivalent provision of any other Class B Authorised Credit Facility,

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

9. HOLDCO SHARES

9.1 Documents of title relating to Holdco Shares

The Chargor shall, on the date of this Security Agreement or, if later, upon becoming entitled to the relevant Holdco Shares, deliver to the Obligor Security Trustee in the agreed form:

- (a) all stock and share certificates and other documents of title relating to its Holdco Shares; and
- (b) all stock transfer forms (executed in blank and left undated) and other documents that the Obligor Security Trustee may request in respect of such Holdco Shares (including declarations of trust in relation to any Holdco Shares in which the Chargor has an interest that are not held in its sole name)

9.2 Voting Power

- (a) Prior to the occurrence of a Voting Event
 - (i) the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Holdco Shares (subject to paragraph (b) of this Clause 9.2), and
 - (ii) if the Holdco Shares of the Chargor have been registered in the name of the Obligor Security Trustee (or its nominee), the Obligor Security Trustee (or its nominee) shall exercise the voting rights, powers and other rights in respect

of such Holdco Shares in such manner as the Chargor may direct in writing from time to time

- (b) The Chargor shall not exercise any of its voting rights, powers and other rights in respect of its Holdco Shares (or direct the Obligor Security Trustee (or its nominee) to exercise such voting rights, powers and other rights) in any manner which varies the rights attaching to or conferred by the Holdco Shares in any way which could reasonably be expected to adversely effect the interests of the Topco Secured Creditors or which could reasonably be expected to prejudice the value of or the ability of the Obligor Security Trustee to realise the Topco Security in respect of such Holdco Shares
- (c) Before the occurrence of a Voting Event, voting power (for the purposes of section 435(10) of the Insolvency Act 1986) in respect of its Holdco Shares shall remain with the Chargor and shall not pass to the Obligor Security Trustee or any Topco Secured Creditor.
- (d) In this Clause 9, *Voting Event* in relation to any particular Holdco Shares means service of a notice by the Obligor Security Trustee (either specifying those Holdco Shares or generally in relation to all or a designated class of Holdco Shares) on the Chargor on or following the delivery of a Topco Enforcement Instruction specifying that control over voting rights are to pass to the Obligor Security Trustee

9.3 Other Undertakings

- (a) No Holdco Shares may be registered in the name of the Obligor Security Trustee (or its nominee) prior to the delivery of a Topco Enforcement Instruction.
- (b) Prior to the delivery of a Topco Enforcement Instruction, the Chargor shall be entitled to receive and retain all dividends or other income or distributions paid or payable in relation to its Holdco Shares
- (c) The Chargor shall not nominate any person, other than the Obligor Security Trustee (or its nominee), to enjoy or exercise any right relating to any of the Holdco Shares whether pursuant to Part 9 of the Companies Act 2006 or otherwise
- (d) At any time when any Holdco Shares of the Chargor have been registered in the name of the Obligor Security Trustee (or its nominee), the Obligor Security Trustee (or its nominee) will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of such Holdco Shares are duly and promptly paid or received by it (or its nominee), or to verify that the correct amounts are paid or received by it (or its nominee), or to take any action in connection with the taking up of any (or any offer of any) stocks, 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 such Holdco Shares
- (e) Prior to the delivery of a Topco Enforcement Instruction the Obligor Security Trustee (or its nominee) shall use its reasonable endeavours to forward to the relevant Chargor all material notices, correspondence and other communication it receives in relation to the Holdco Shares.
- (f) The Chargor shall indemnify the Obligor Security Trustee (or its nominee) against any Liability incurred by the Obligor Security Trustee (or its nominee) as a

consequence of the Obligor Security Trustee (or its nominee) acting at the direction of the Chargor in respect of its Holdco Shares

- (g) Each Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Holdco Shares. In the case of a default by the Chargor in such payment, the Obligor Security Trustee may (but shall have no obligation to) make such payment on behalf of the Chargor in which case any sums paid by the Obligor Security Trustee shall be reimbursed (together with interest at the Default Rate for the period from and including the date incurred up to and excluding the date reimbursed) by the Chargor to the Obligor Security Trustee on demand.

9.4 Exercise of rights on Voting Event

- (a) On and after the occurrence of a Voting Event, the Obligor Security Trustee (or its nominee) may exercise or refrain from exercising any voting rights, powers and other rights in respect of the Holdco Shares in each case in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.
- (b) The Chargor irrevocably appoints the Obligor Security Trustee (or its nominee) as its proxy to exercise all voting rights in respect of the Holdco Shares with effect from the occurrence of a Voting Event to the extent that such Group Shares remain registered in its name.

10. ENFORCEMENT OF TOPCO SECURITY

10.1 Timing and manner of enforcement

- (a) The Topco Security created pursuant to this Security Agreement shall become enforceable and the powers referred to in paragraph (a) of Clause 10.2 (*General*) shall become exercisable
 - (i) upon the delivery of a Topco Enforcement Instruction, or
 - (ii) if the Chargor requests the Obligor Security Trustee to exercise any of its powers under this Security Agreement, or
 - (iii) on the appointment of a Receiver.
- (b) Without prejudice to any specific provisions contained in this Security Agreement, immediately after the Topco Security has become enforceable, the Obligor Security Trustee may in its absolute discretion (subject to the other provisions of this Security Agreement) enforce all or any part of the Topco Security in any manner it sees fit or as instructed by the Topco Secured Creditors (through their Secured Creditor Representatives) in accordance with the STID.
- (c) No Topco Secured Creditor shall be liable to the Chargor for any loss arising from the manner in which the Obligor Security Trustee or any other Topco Secured Creditor enforces or refrains from enforcing the Topco Security.

10.2 General

- (a) The Topco Secured Liabilities shall be deemed to have become due and payable on the date of this Security Agreement for the purposes of section 101 of the Law of

Property Act 1925 The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 (as varied and extended by this Security Agreement) and all other powers conferred on a mortgagee by law shall be deemed to arise immediately after execution of this Security Agreement

- (b) Section 103 of the Law of Property Act 1925 shall not apply to this Security Agreement
- (c) The Obligor Security Trustee 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 think fit without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925

10.3 Contingencies

If the Topco Security is enforced at a time when no amount is due under the Topco Security Documents but at a time when amounts may or will become due, the Obligor Security Trustee (or a Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate

10.4 Exercise of powers

All or any of the powers conferred on mortgagees by the Law of Property Act 1925 as varied or extended by this Security Agreement and all or any of the rights and powers conferred by this Security Agreement on a Receiver (whether express or implied) may be exercised by the Obligor Security Trustee without further notice to any Chargor at any time after the delivery of a Topco Enforcement Instruction, irrespective of whether the Obligor Security Trustee has taken possession of the Security Assets or appointed a Receiver

10.5 Protection of third parties

- (a) No person (including a purchaser) dealing with the Obligor Security Trustee or a Receiver or any of its respective agents will be concerned to enquire
 - (i) whether the Topco Secured Liabilities have become payable,
 - (ii) whether any power which the Obligor Security Trustee or that Receiver may purport to exercise has become exercisable or is being properly exercised,
 - (iii) whether any amount remains due under the Topco Transaction Documents, or
 - (iv) how any money paid to the Obligor Security Trustee or to that Receiver is to be applied.
- (b) The receipt of the Obligor Security Trustee or any Receiver of any moneys paid to the Obligor Security Trustee or any Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person dealing with the Obligor Security Trustee or that Receiver of any obligation to see to the application of any moneys paid to or by the direction of the Obligor Security Trustee or any Receiver
- (c) In paragraphs (a) and (b) of this Clause 10.5, *purchaser* includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to the Security Assets

10.6 No liability as mortgagee in possession

Neither the Obligor Security Trustee nor any Receiver will be liable by reason of entering into possession of a Security Asset

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

10.7 Redemption of prior Security Interests

The Obligor Security Trustee or any Receiver may at any time after the delivery of a Topco Enforcement Instruction redeem any prior Security Interest on or relating to any of the Security Assets or procure the transfer of that Security Interest to itself, and may settle and pass the accounts of any person entitled to that prior Security Interest. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor. Each Chargor will on demand pay to the Obligor Security Trustee all principal monies and interest and all losses incidental to any such redemption or transfer.

10.8 Right of appropriation

To the extent that any of the Security Assets constitute "financial collateral" and this Security Agreement and the obligations of the 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 Obligor Security Trustee shall have the right to appropriate without notice to the Chargor (either on a single occasion or on multiple occasions) all or any part of such financial collateral in or towards discharge of the Topco Secured Liabilities and for this purpose the value of the financial collateral so appropriated shall be

- (a) in the case of cash, the amount standing to the credit of each Account together with any accrued but unposted interest at the time the right of appropriation is exercised, and
- (b) in the case of the Holdco Shares, the market price of such Holdco Shares determined by the Obligor Security Trustee in a commercially reasonable manner (including by reference to a public index or independent valuation)

11. ADMINISTRATOR

- (a) Subject to the Insolvency Act 1986, the Obligor Security Trustee may appoint one or more qualified persons to be an administrator of the Chargor (to act together with or independently of any others so appointed)
 - (i) if requested by the Chargor,
 - (ii) upon the delivery of a Topco Enforcement Instruction or on the appointment of a Receiver,
 - (iii) on the occurrence of a Share Enforcement Event or Class B Event of Default under the Initial Class B IBLA or any equivalent terms of any Class B Authorised Credit Facility.

- (b) Any such appointment may be made pursuant to an application to court under paragraph 12 of schedule B1 to the Insolvency Act 1986 or by filing the specified documents with the court under paragraphs 14 to 21 of schedule B1 to the Insolvency Act 1986
- (c) In this Clause 11, *qualified person* means a person who, under the Insolvency Act 1986, is qualified to act as an administrator of any company with respect to which he is appointed.

12. RECEIVER

12.1 Appointment of Receivers

- (a) The Obligor Security Trustee may (without notice) by deed or otherwise in writing signed by any officer or manager of the Obligor Security Trustee or any person authorised for this purpose by the Obligor Security Trustee, appoint one or more persons to be a Receiver
 - (i) if requested by the Chargor, or
 - (ii) at the times prescribed by clauses 32.3 (*Instructions to enforce*), 32.6 (*Enforcement Action – Topco Security*) or 32.14 (*Appointment of Administrative Receiver – Topco*) of the STID
- (b) The Obligor Security Trustee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets to the extent prohibited by section 72A of the Insolvency Act 1986
- (c) The Obligor Security Trustee 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 Insolvency Act 2000
- (d) Section 109(1) of the Law of Property Act 1925 shall not apply to this Security Agreement
- (e) If the Obligor Security Trustee appoints more than one person as Receiver, the Obligor Security Trustee may give those persons power to act either jointly or severally
- (f) Any Receiver may be appointed Receiver of all 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 13 (*Powers of Receivers*) shall have effect as though every reference in Clause 13 (*Powers of Receivers*) to any Security Assets were a reference to the part of those assets so specified or any part of those assets

12.2 Removal of Receivers

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

12.3 Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. The Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver. No Topco Secured Creditors will incur any liability (either to the Chargor or any other person) by reason of the appointment of a Receiver or for any other reason.

12.4 Remuneration

The Obligor Security Trustee may (subject to section 36 of the Insolvency Act 1986) determine the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the Law of Property Act 1925) shall not apply to this Security Agreement.

12.5 Relationship with Obligor Security Trustee

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

13. POWERS OF RECEIVERS

13.1 General

- (c) Any Receiver appointed pursuant to Clause 12.1 (*Appointment of Receivers*) shall have the rights, powers and discretions set out in this Clause 13 in addition to those conferred on it by any law, including all powers described in schedule 1 to the Insolvency Act 1986 whether or not the Receiver is an administrative receiver as defined in the Insolvency Act 1986, but any Receiver (including any administrative receiver) shall at all times be bound by, and shall observe all provisions of, the Topco Transaction Documents and any applicable laws that at such time are binding upon or relate to the Chargors.
- (d) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Agreement individually and to the exclusion of any other Receiver.

13.2 Possession

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

13.3 Carry on business

A Receiver may

- (a) carry on any business of the Chargor in any manner he thinks fit, and
- (b) enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which the Chargor is party.

13.4 Employees

A Receiver may

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

13.5 Borrow Money

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

13.6 Sale of Assets

A Receiver may

- (a) sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner, and on any terms which he thinks fit and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period), and
- (b) sever and sell separately from the property containing them any fixtures (other than landlord's fixtures) without the consent of the Chargor

13.7 Compromise

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

13.8 Legal actions

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

13.9 Receipts

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

13.10 Subsidiaries

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

13.11 Delegation

A Receiver may delegate his powers in accordance with this Security Agreement

13.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor

13.13 Protection of assets

A Receiver may effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset in each case as he thinks fit

13.14 Other powers

A Receiver may

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Security Agreement or law,
- (b) to exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset,
- (c) to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he may think fit) any assets which he considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Security Assets or the business of the Chargor,
- (d) to make any payment and incur any expenditure, which the Obligor Security Trustee is, by this Security Agreement, expressly or impliedly authorised to make or incur, and
- (e) to use the name of the Chargor for any of the purposes set out in this Clause 13

14. DELEGATION

- (a) The Obligor Security Trustee or any Receiver may delegate by power of attorney or in any other manner to any competent person any right, power or discretion exercisable by it under this Security Agreement. Any such delegation may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Obligor Security Trustee or Receiver may think fit
- (b) Neither the Obligor Security Trustee nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate
- (c) References in this Security Agreement to the Obligor Security Trustee or a Receiver shall be deemed to include references to any delegate of the Obligor Security Trustee or Receiver appointed in accordance with this Clause 14

15. PRESERVATION OF SECURITY INTERESTS

15.1 Reinstatement

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

15.2 Waiver of defences

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

- (a) any time, waiver, release or consent granted to, or composition with, the Chargor or any other person,
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Holdco Group or any other person,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over the assets of, the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any such rights or security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person,
- (e) any amendment (however fundamental and including any amendment that may increase the liability of Topco or any other person) or replacement of a Topco Transaction Document or any other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (g) any insolvency or similar proceedings

15.3 Immediate recourse

The Chargor waives any right it may have of first requiring any Topco Secured Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from or enforcing against the Chargor under this Security Agreement. This waiver applies irrespective of any law or any provision of a Topco Transaction Document to the contrary.

15.4 Appropriations

With effect from the delivery of a Topco Enforcement Instruction and until all the Topco Secured Liabilities have been irrevocably paid in full, each Topco Secured Creditor (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 Topco Secured Creditor (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 the Chargor shall not be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Security Agreement

15.5 Deferral of Chargor's rights

- (a) Until all the Obligor Secured Liabilities have been irrevocably paid in full and unless the Obligor Security Trustee otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance (or a claim for performance) by it of its obligations under the Topco Transaction Documents
 - (i) to be indemnified by an Obligor,
 - (ii) to claim any contribution from any guarantor of any Obligor's obligations under the Topco Transaction Documents,
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Topco Secured Creditors under the Topco Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Topco Transaction Documents by any Topco Secured Creditor,
 - (iv) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under the Topco Transaction Documents,
 - (v) to exercise any right of set-off against an Obligor,
 - (vi) to exercise any right of quasi-retainer or other analogous equitable right, and/or
 - (vii) to claim or prove as a creditor of an Obligor in competition with the Topco Secured Creditors

- (b) If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Topco Secured Creditors by an Obligor under or in connection with the Topco Transaction Documents to be repaid in full on trust for the Topco Secured Creditors and shall promptly pay or transfer the same to the Topco Secured Creditors or as the Topco Secured Creditors may direct

15.6 Security held by Chargor

The Chargor shall not, without the prior consent of the Obligor Security Trustee, hold or otherwise take the benefit of any Security Interest from any other Obligor in respect of that Chargor's liability under this Security Agreement. The Chargor will hold any Security Interests and the proceeds thereof held by it in breach of this provision on trust for the Obligor Security Trustee

15.7 Additional security/non-merger

The Topco Security is in addition to and shall not be merged into or in any way excluded or prejudiced by any other Security Interests now or hereafter held by or on behalf of any Topco Secured Creditor in respect of the Topco Secured Liabilities or any other amount due by the Chargor to any Topco Secured Creditor

15.8 New accounts and ruling off

- (a) Any Topco Secured Creditor may open a new account in the name of the Chargor at any time after a subsequent Security Interest affects any Security Asset. If a Topco Secured Creditor does not open a new account in such circumstances it will nevertheless be deemed to have done so upon the occurrence of such circumstances
- (b) No moneys paid into any account (whether new or continuing) after the occurrence of any circumstances referred to in paragraph (a) of this Clause 15.8 shall reduce or discharge the Topco Secured Liabilities

16. FURTHER ASSURANCES

Each Chargor shall, at its own expense, take whatever action the Obligor Security Trustee or a Receiver may require or consider expedient for

- (a) creating, perfecting or protecting any Security Interest intended to be created by or pursuant to this Security Agreement,
- (b) facilitating the realisation of any Security Asset,
- (c) creating and perfecting security in favour of the Obligor Security Trustee over the assets of the Chargor located in any jurisdiction outside England and Wales;
- (d) facilitating the exercise of any right, power or discretion exercisable by the Obligor Security Trustee or any Receiver in respect of any Security Asset,

including

- (i) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Obligor Security Trustee (or to its nominee), and

- (ii) the giving of any notice, order or direction and the making of any filing or registration

17. POWER OF ATTORNEY

17.1 Appointment

- (a) The Chargor by way of security irrevocably appoints the Obligor Security Trustee 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 thinks fit
 - (i) prior to the delivery of a Topco Enforcement Instruction, to do anything which the Chargor is obliged to do under this Security Agreement (but has not done),
 - (ii) with effect from the delivery of a Topco Enforcement Instruction, to do anything which the Chargor is obliged to do under this Security Agreement, and
 - (iii) to exercise any of the rights conferred on the Obligor Security Trustee or any Receiver in relation to the Security Assets or under any Topco Transaction Document, the Law of Property Act 1925 or the Insolvency Act 1986
- (b) The power of attorney conferred on the Obligor Security Trustee and each Receiver shall continue notwithstanding the exercise by the Obligor Security Trustee of any right of appropriation pursuant to Clause 10.8 (*Right of appropriation*)

17.2 Ratification

The 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 17.1 (*Appointment*)

18. APPLICATION OF PROCEEDS

18.1 Order of application

- (a) All amounts received by the Obligor Security Trustee or any Receiver pursuant to this Security Agreement or the powers conferred by it shall be applied in accordance with the STID
- (b) The order of application referred to in paragraph (a) of this Clause 18.1 shall override any appropriation by the Chargor

18.2 Receiver's receipts

Section 109(8) of the Law of Property Act 1925 shall not apply in relation to a Receiver appointed under this Security Agreement

19. EXPENSES AND INDEMNITIES

The Chargor will on demand pay and reimburse the Obligor Security Trustee, Receiver, attorney, manager, agent or other person (including the officers of such persons) appointed by

the Obligor Security Trustee or a Receiver under this Security Agreement, on the basis of a full indemnity, in respect of all costs and expenses (including legal fees and other out of pocket expenses and any value added tax or other similar tax thereon) properly incurred by such person in connection with the holding, preservation or enforcement or the attempted preservation or enforcement of any of the Topco Secured Creditors' rights under this Security Agreement or otherwise in connection with the performance of this Security Agreement or any documents required pursuant to this Security Agreement including any 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 such breach) and will keep each of those persons indemnified against any failure or delay in paying those costs and expenses

20. CHANGES TO PARTIES

20.1 Transfer by the Obligor Security Trustee

The Obligor Security Trustee may at any time assign or otherwise transfer all or any part of its rights under this Security Agreement to any successor appointed in accordance with the Topco Transaction Documents

20.2 Changes to parties

The Chargor agrees to bound by the terms of clause 2 (*Accession*) and clause 4 (*Accession of Additional Obligors*) of the STID and to accept any Additional Topco Secured Creditor, Additional Obligor or Additional Subordinated Intragroup Creditor that accedes to the STID pursuant to an Accession Memorandum. Each Chargor authorises the Obligor Security Trustee to execute on its behalf any document the Obligor Security Trustee considers necessary or desirable in relation to the creation, perfection or maintenance of the Topco Security and any transfer or assignment contemplated or required by such accession

21. MISCELLANEOUS

21.1 Further advances

To the extent a Topco Secured Creditor is under an obligation to make further advances to the Borrower pursuant to any Class B Authorised Credit Facility, such obligation will be deemed incorporated into this Security Agreement as if set out in it

21.2 Time Deposits

Without prejudice to any right of set-off any Topco Secured Creditor may have under any Topco Transaction Document or otherwise, if any time deposit matures on any account which the Chargor has with an Topco Secured Creditor prior to the Topco Discharge Date when

- (a) the Topco Security has become enforceable, and
- (b) no amount of the Topco Secured Liabilities is due and payable,

such time deposit shall automatically be renewed for such further maturity as the relevant Topco Secured Creditor in its absolute discretion considers appropriate unless such Topco Secured Creditor otherwise agrees in writing

21.3 Obligor Security Trustee's liability

Neither the Obligor Security Trustee nor any Receiver shall (either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Chargor or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Security Assets or from any act, default, omission or misconduct of the Obligor Security Trustee or any Receiver or their respective officers, employees or agents in relation to the Security Assets or in connection with the Topco Transaction Documents, save in the case of fraud, gross negligence or wilful default in respect of the Obligor Security Trustee or the Receiver, as applicable

21.4 Failure to Execute

- (a) Failure by one or more parties to execute this Security Agreement (such parties being *Non-Signatories*) on the date hereof will not invalidate the provisions of this Security Agreement as between the other parties who do execute this Security Agreement.
- (b) Each Non-Signatory may execute this Security Agreement on a subsequent date and will thereupon become bound by its provisions

21.5 Certificate of non-crystallisation and release

- (a) The Obligor Security Trustee shall, at the reasonable notice (being not less than 10 Business Days) of the Chargor, issue a certificate of non-crystallisation provided that, at the date of issuance, no floating charge under Clause 3.3 (*Floating Charges*) of this Agreement has crystallised as a result of the operation of Clause 4.1 (*Conversion by Notice*) of this Agreement
- (b) The Obligor Security Trustee shall, provided no Share Enforcement Event has occurred and is subsisting, at the reasonable notice (being not less than 10 Business Days) of the Chargor, issue a certificate of release of fixed security in respect of any asset charged under Clause 3.2 (*Fixed Charges*) which the charger is entitled to dispose of in accordance with the terms and restrictions of the Topco Transaction Documents

22. PARTIAL INVALIDITY

If any provision of this Security Agreement is or becomes invalid, illegal or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability of the remaining provisions in that jurisdiction or of that provision in any other jurisdiction

23. NOTICES

23.1 Method

Any notice or other communication to be served under or in connection with this Security Agreement shall be made in writing and, unless otherwise stated, served in person or by post, fax or any electronic method of communication approved by the Obligor Security Trustee to the relevant party at its address or fax number shown immediately after its name on the signature page of this Security Agreement or such other address or number notified by it to the other parties to this Security Agreement and, in the case of the Obligor Security Trustee, marked for the attention of the person or department there specified

23.2 Deemed Service

Any notice or other communication served by post will, unless otherwise stated, be effective five Business Days after being deposited in the post (with postage prepaid) in an envelope addressed to it at that address or on delivery if delivered personally or by courier to the relevant address. A notice or other communication sent by fax will, unless otherwise stated, be effective when received in legible form. Any communication or notice to the Obligor Security Trustee by electronic method will be effective only when actually received in readable form and if addressed in the manner specified by the Obligor Security Trustee for this purpose.

23.3 Proof of Service

In proving service of any notice or other communication, it will be sufficient to prove

- (a) in the case of a letter, that such letter was properly stamped or franked, addressed and placed in the post or in the case of personal delivery, was left at the correct address, and
- (b) in the case of a fax transmission, that such fax was duly transmitted to the fax number, as appropriate, of the addressee referred to in Clause 23.1 (*Method*)

24. COUNTERPARTS

This Security Agreement may be executed in any number of counterparts, and by each party hereto 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 Security Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

25. GOVERNING LAW AND ENFORCEMENT

25.1 Governing law

This Security Agreement and any non-contractual obligations arising out of or in relation to this Security Agreement shall be governed by, and interpreted in accordance with, English law.

25.2 Jurisdiction

- (a) Subject to paragraphs (b) and (c) below, the English courts shall have exclusive jurisdiction in relation to all disputes arising out of or in connection with this Security Agreement (including claims for set-off and counterclaims), including, without limitation, disputes arising out of or in connection with (i) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, this Security Agreement, and (ii) any non-contractual obligations arising out of or in connection with this Security Agreement. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.
- (b) The agreement contained in paragraph (a) of this Clause 25.2 is included for the benefit of the Obligor Security Trustee who shall retain the right to take proceedings in any other courts with jurisdiction and the Chargor irrevocably submits to the jurisdiction of any such court. To the extent permitted by law, the Obligor Security Trustee may take concurrent proceedings in any number of jurisdictions.

- (c) The Chargor agrees that a judgment or order of any court referred to in this Clause (c) is conclusive and binding and may be enforced against it in the courts of any other jurisdiction

25.3 Service of Process

- (a) The Chargor hereby irrevocably and unconditionally agrees that:
 - (i) failure by any process agent to give notice of process served on it shall not impair the validity of such service or of any judgement based on that service, and
 - (ii) nothing in this Security Agreement shall affect the right to serve process in any other manner permitted by law

THIS SECURITY AGREEMENT has been executed and delivered as a deed on the date stated at the beginning of this Security Agreement

SCHEDULE 1
SECURITY ASSETS

Holdco Shares

Chargor	Number and class of shares	Details of nominees holding legal title
AA Mid Co Limited	20,000,002 ordinary shares of £1 each	AA Mid Co Limited

