

# MR01

## Particulars of a charge



**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](http://www.companieshouse.gov.uk)

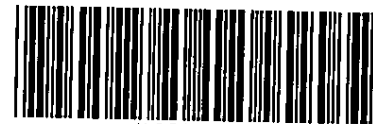
☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form to  
register a charge with an  
instrument. Use form MR02

For further information, please  
contact [www.companieshouse.gov.uk](http://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  
delivered with a court order extending the time for delivery.

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



LD4 \*L2CFJ3H5\* #100  
COMPANIES HOUSE

FRIDAY

### 1 Company details

Company number 0 5 7 0 6 7 2 0  
Company name in full PENSION INSURANCE CORPORATION LIMITED

5 For official use  
→ **Filing 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 0 5 / 0 7 / 2 0 1 3

### 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	EMI GROUP PENSION TRUSTEES 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

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**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

N/A

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

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**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

*Clifford Chance 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 Harriet Slack

Company name Clifford Chance LLP

Address 10 Upper Bank Street

Post town London

County/Region

Postcode E 1 4 5 J J

Country United Kingdom

DX 149120 Canary Wharf 3

Telephone 020 7006 1000



### 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](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.companieshouse.gov.uk)**



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 5706720

Charge code: 0570 6720 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th July 2013 and created by PENSION INSURANCE CORPORATION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th July 2013

12th

Given at Companies House, Cardiff on 16th July 2013



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



HERBERT  
SMITH  
FREEHILLS

Execution Version

5<sup>th</sup> JULY 2013

**PENSION INSURANCE CORPORATION LIMITED**  
as the Chargor

and

**EMI GROUP PENSION TRUSTEES LIMITED**  
as the Beneficiary

and

**EMI PENSION SPONSOR LIMITED**  
as the Company

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**FLOATING CHARGE (SPECIFIED ASSETS)**

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We hereby certify this  
to be a true copy of the  
original

Signed Clifford Chance LLP

Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ

Herbert Smith Freehills LLP

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THIS DEED is made on 5<sup>th</sup> July 2013

**BETWEEN:**

- (1) **PENSION INSURANCE CORPORATION LIMITED** (a company registered in England and Wales with registration number 5706720) whose registered office is at 14 Cornhill, London, EC3V 3ND (the "**Chargor**"),
- (2) **EMI GROUP PENSION TRUSTEES LIMITED**, a company registered in England and Wales with registration number 530578 whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB in its capacity as trustee of the Scheme (as defined below) (the "**Beneficiary**"), and
- (3) **EMI PENSION SPONSOR LIMITED**, a company registered in England and Wales with registration number 8015481 whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB (the "**Company**")

**IT IS AGREED** as follows

**1 DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS**

**1.1 Definitions**

- 1.1.1 Terms defined in the BPA (including by reference) shall, unless otherwise defined in this Deed or a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings

"**BPA**" means the bulk purchase annuity policy for Project Avon dated on or about the date of this Deed between the Chargor, the Company and the Beneficiary (as amended, varied, supplemented, extended or restated from time to time)

"**Charged Assets**" means the property charged pursuant to Clause 3.1 (*Creation of floating charge*)

"**Custodian**" means The Northern Trust Company, a company established under the laws of the State of Illinois in the United States of America, whose principal place of business in England and Wales is at 50 Bank Street, Canary Wharf, London, E14 5NT

"**Custody Account Control Agreement**" means a custody control agreement between the Chargor, the Beneficiary and the Custodian entered or to be entered into on or about the date of this Deed in the form agreed between the parties thereto (as amended, varied, supplemented, extended or restated from time to time)

"**Derivatives**" means

- (a) the derivative contracts and instruments listed in Part 1 of Appendix 1 (*Premium Assets*) to the Asset Implementation Agreement and any swaps, futures and repurchase agreements (if any) listed in Part 2 of Appendix 1 (*Premium Assets*) to the Asset Implementation Agreement, and
- (b) any other derivative contracts and instruments entered into by the Beneficiary,

in each case to the extent (if any) that such contracts and instruments have been novated to the Chargor or all of the Beneficiary's rights and obligations under such contracts or, as the case may be, instruments have been otherwise transferred to the Chargor in accordance with the Asset Implementation Agreement

"**Designated Custody Accounts**" means the accounts opened in the books and records of the Custodian for the Chargor (comprising a cash ledger and a securities ledger) with the titles "PIC Insurance Avon" identified by the



Custodian's Fundmaster account code [REDACTED] and "PIC Transition Avon" identified by the Custodian's Fundmaster account code [REDACTED] and any other account opened in the books and records of the Custodian for the Chargor from time to time which includes in its title the word "Avon" and a "Designated Custody Account" shall mean any of them

"Election Period" means, following the occurrence of a Solvency Breach in respect of the Chargor, the period during which the Company is entitled to issue a Cancellation Notice in respect of that Solvency Breach

"Encumbrance" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person

"Enforcement Period" means the period from the date on which the Chargor receives a Cancellation Notice to (and including) the date on which the transactions contemplated by clause 11.16 of the BPA are completed

"Initial Investments" means the Price Lock Assets received by the Chargor from the Beneficiary on or about the date of the BPA pursuant to the provisions of the Asset Implementation Agreement (other than the Derivatives) and "Initial Investment" shall mean any of them

"LPA" means the Law of Property Act 1925

"Month" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that

- (A) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day, and
- (B) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month

The above rules will only apply to the last Month of any period

"Permitted Encumbrance" means

- (A) any Encumbrance over an Initial Investment or a Derivative at the time such Initial Investment or Derivative (as the case may be) is novated, assigned or otherwise transferred to the Chargor,
- (B) the Encumbrances created pursuant to this Deed or arising by operation of law,
- (C) any Encumbrance in favour of the Beneficiary or any agent on behalf of it,
- (D) without prejudice to the Beneficiary's and the Company's obligations under the BPA or the Asset Implementation Agreement (or both), any Encumbrance resulting from the acts or omissions of the Beneficiary, the Company or any of their affiliates,
- (E) any lien or other security interest in favour of the Custodian, any sub-custodian or depository or equivalent in respect of any amounts payable to any of them in connection with the maintenance and operation of any Designated Custody Account or otherwise arising pursuant to the relevant custody agreement (as amended, varied, supplemented, extended, restated or replaced from time to time) or related arrangements or the other documents relating to any Designated Custody Account or such arrangements or arising by operation of law, or
- (F) any payment or close out netting or set-off arrangement pursuant to any Derivative (including any Encumbrance under a credit support arrangement)

**"Qualifying Asset"** means any security, instrument or other asset of a type described in Schedule 1,

**"Reinvested Investments"** means

- (A) cash received by the Chargor from, or upon the disposal of, any Initial Investment or another Reinvested Investment (or, in each case, any proceeds thereof), and
- (B) any asset acquired by the Chargor using any Initial Investment or another Reinvested Investment (or, in each case, the proceeds thereof),

in each case, to the extent that such asset is of the same type as an asset falling within the definition of "Initial Investments" and can be credited to or reflected on a Designated Custody Account in accordance with the agreements relating to the establishment and operation of such accounts and **"Reinvested Investment"** shall mean any of them

**"Secured Liabilities"** means all present and future obligations and liabilities of the Chargor (whether actual or contingent) which are or may become, due, owing or payable by the Chargor to the Beneficiary in respect of the Solvency Cancellation Payment pursuant to clause 11 1 6 of the BPA.

**"Security Discharge Date"** means the earliest of the following dates

- (A) the day falling immediately after the date that is 20 calendar months after the Risk Transfer Date, **provided that** (i) such date does not fall within an Election Period (if such date falls within an Election Period, the Security Discharge Date shall be the date immediately following the expiry of that Election Period unless paragraph (ii) applies) and (ii) such date does not fall within the Enforcement Period,
- (B) the date on which the Policy terminates in accordance with the provisions of the BPA,
- (C) the first date on which Buyout Policies have been issued in respect of each Known Beneficiary, and
- (D) following the occurrence of a Solvency Breach the earlier of (i) the date on which the Termination Balance is paid or transferred (as applicable) to the Beneficiary (or as the Beneficiary directs) as contemplated by Clause 4 1 (*Enforcement*) and (ii) the date on which the Chargor certifies to the Beneficiary that following the completion of the transactions contemplated by paragraphs (A) to (F) (inclusive) of clause 11 1 6, there are no Charged Assets standing to the credit of the Designated Custody Accounts

**"Termination Balance"** means the cash, securities and other property (if any) standing to the credit of, or held in or reflected on, each Designated Custody Account following the completion of the transactions contemplated in paragraphs (A) to (F) (inclusive) of clause 11 1 6 of the BPA

1 1 2 Words defined in the Companies Act 2006 have the same meanings in this Deed

## 1 2 Third Party Rights

The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded

## 1 3 Implied Covenants for Title

Subject to the provisions of this Deed, the obligations of the Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994

**1 4 Effect as a Deed**

This Deed is intended to take effect as a deed notwithstanding that the Beneficiary may have executed it under hand only

**2 COVENANTS TO PAY**

**2 1 Covenant to Pay Secured Liabilities**

Subject to Clause 2 3 (*Limited Recourse*) and Clause 4 (*Enforcement*), the Chargor covenants that it shall on demand pay to the Beneficiary the Secured Liabilities when the same become due for payment or discharge

**2 2 Potential Invalidity**

Neither the covenant to pay in Clause 2 1 (*Covenant to Pay Secured Liabilities*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2 2, cause such covenant, obligation or security to be unlawful under any applicable law

**2 3 Limited Recourse**

Notwithstanding Clause 2 1 (*Covenant to Pay Secured Liabilities*) or any other provision of this Deed

2 3 1 the liability of the Chargor to the Beneficiary and the Company under this Deed (including, without limitation, Clause 2 1 (*Covenant to Pay Secured Liabilities*)) and any and all documents entered into pursuant to this Deed (including the Custody Account Control Agreement) shall be

(A) limited in aggregate to an amount equal to that recovered by the Beneficiary as a result of the enforcement of this Deed with respect to the Charged Assets in accordance with Clause 4 1 at that time, and

(B) satisfied only from the assets specified in accordance with Clause 4 1 or otherwise from the proceeds of sale or other disposal or realisation of such assets at that time pursuant to this Deed, and

2 3 2 neither the Beneficiary nor the Company shall have any recourse under this Deed (including, without limitation, under Clause 2 1 (*Covenant to Pay Secured Liabilities*)) or any documents entered into pursuant to this Deed (including the Custody Account Control Agreement) to any assets of the Chargor other than the Charged Assets

2 4 To the extent that, following the payment or transfer of the Termination Balance (if any) to the Beneficiary (or at its direction) in the manner contemplated in Clause 4 1 or, as the case may be, certification by the Chargor to the Beneficiary contemplated in Clause 4 1 some of the Secured Liabilities or any obligations or liabilities under this Deed or any document entered into pursuant to this Deed (including the Custody Account Control Agreement) remain undischarged each of the Beneficiary and the Company agrees that it shall have no right to recover such excess from the Chargor and shall promptly execute such releases and waivers of liability as the Chargor may reasonably request

**3 FLOATING CHARGE**

**3 1 Creation of floating charge**

The Chargor charges to the Beneficiary by way of first floating charge with full title guarantee (subject to any Permitted Encumbrance and subject to the Chargor having obtained the legal and beneficial title to the Initial Investments and the Derivatives pursuant to the BPA, the Asset Implementation Agreement and/or applicable law) and as a

continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in

3 1 1 the cash, securities and other property (if any) from time to time standing to the credit of, or held in, any Designated Custody Account (to the extent that the Chargor is not prohibited from doing so pursuant to the terms relating to such securities or property), and

3 1 2 each Derivative (to the extent that the Chargor is not prohibited from doing so pursuant to the provisions of such Derivative)

## 3 2 **Obligations of the Beneficiary**

The Beneficiary shall on or about the date of this Deed enter into the Custody Account Control Agreement and shall promptly provide the Custodian with such information relating to the authorised signatories of the Beneficiary (including signature specimens) as the Custodian may request

## 4 **ENFORCEMENT**

4 1 The Chargor shall transfer (or shall procure the transfer of) the Termination Balance (if any) to the Beneficiary in accordance with clause 11 1 6 of the BPA to such custody account or accounts as the Beneficiary may specify (which the Beneficiary shall do promptly upon the written request of the Chargor) If following the transactions contemplated by paragraphs (A) to (F) (inclusive) of clause 11 1 6 of the BPA, there are no Charged Assets standing to the credit of the Designated Custody Accounts, the Chargor shall be entitled to issue a certificate to the Beneficiary to that effect The Beneficiary and the Company acknowledge and agree that such transfer or provision of certificate (as applicable) shall satisfy and discharge the Secured Liabilities in full

4 2 Notwithstanding anything express or implied in this Deed, the floating charge created by Clause 3 1 (*Creation of floating charge*) may not be converted into a specific charge and the Beneficiary shall not be entitled to otherwise change the nature of the floating charge to fixed security (including, without limitation, pursuant to any law which may have such effect but without prejudice to any provisions of law which are not capable of disapplication or derogation by contract)

## 5 **GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS**

The Chargor undertakes to the Beneficiary and the Company with respect to the Charged Assets that prior to the Security Discharge Date it shall

### 5 1 **Negative Pledge**

not, without the prior consent in writing of the Beneficiary and the Company, create or attempt to create or permit to subsist or arise any Encumbrance (other than a Permitted Encumbrance) on, over or affecting the Charged Assets or any part of them, and

### 5 2 **Disposals**

not dispose of the Charged Assets or any part of them or agree so to do except as permitted by Clause 6 2 (*Withdrawals from the Designated Custody Accounts*), Clause 7 (*Derivatives*), a Permitted Encumbrance or as contemplated by the BPA or the Asset Implementation Agreement (or both)

## 6 **DESIGNATED CUSTODY ACCOUNTS**

### 6 1 **Deposit Obligations**

The Chargor shall ensure that

6 1 1 each Initial Investment,

- 6 1 2 each Reinvested Investment,
- 6 1 3 the cash proceeds of the disposal of any Initial Investment or any Reinvested Investment received by the Chargor,
- 6 1 4 the cash proceeds received by the Chargor pursuant to any Derivative,
- 6 1 5 to the extent that collateral is posted to the Chargor in respect of any Derivative which is of the same type as any asset falling within the definition of "Initial Investments" and can be credited to a Designated Custody Account, such collateral,
- 6 1 6 cash received by the Chargor pursuant to clause 8 1 4 of the Asset Implementation Agreement (if any), and
- 6 1 7 cash received by the Chargor pursuant to clause 11 1.6(B) of the BPA (if any),

shall be credited to, or deposited in, a Designated Custody Account, in the case of Clauses 6 1 1, 6 1 2 and 6 1 5 to that extent that assets of that nature are able to be held in, or reflected on, a Designated Custody Account in accordance with the agreements relating to the establishment and operation of such accounts

## 6 2 Withdrawals from the Designated Custody Accounts

- 6 2 1 Subject to Clause 6 2 2, the Chargor (or any investment manager on the Chargor's behalf) may from time to time withdraw, apply, transfer or otherwise dispose of any cash, securities or other property (or any of them) standing to the credit of, or held in or reflected on, any Designated Custody Account in such manner as it, in its absolute discretion sees fit, for application in or towards
  - (A) making investment(s) in, or otherwise acquiring, any Qualifying Asset,
  - (B) discharging obligations or liabilities under the BPA or the Asset Implementation Agreement (including the Secured Liabilities and any of the transactions contemplated by the BPA or the Asset Implementation Agreement including specifically but without limitation clause 11 1 6 of the BPA) or in relation to the Scheme (or any of them),
  - (C) discharging obligations or liabilities incurred, due or owing (including to the Custodian, any sub-custodian, their agents, directors, employees or any other person) under, pursuant to, or in respect of
    - (1) the Initial Investments (or any of them),
    - (2) the Reinvested Investments (or any of them),
    - (3) any Qualifying Assets, to the extent that such assets were (directly or indirectly) purchased or acquired utilising cash or assets (or the proceeds thereof) which had previously been credited to, held in or reflected on, any Designated Custody Account, or
    - (4) the Derivatives (or any of them) including to provide collateral or other credit support to any counterparty thereto,
  - (D) any purpose, to the extent that any such cash, securities or other property was not at the time of the relevant credit or deposit required to be credited to, deposited in or reflected on, a Designated Custody Account in accordance with Clause 6 1 (*Deposit Obligations*),

- (E) if required by law, or
- (F) the Chargor's general corporate and working capital purposes (and not otherwise falling within paragraphs (A) to (E) (inclusive) above) **provided** that in each Relevant Period the total amount withdrawn pursuant to this paragraph (F) shall not exceed 0.5 per cent (0.5%) of the aggregate value of the assets standing to the credit of the Designated Custody Accounts (calculated on the first day of that Relevant Period),

in each case, without the consent of the Beneficiary. In this Clause 6.2.1 "**Relevant Period**" means (a) a period of 6 Months commencing on the Risk Transfer Date, and (b) each subsequent period of 6 Months commencing on the day immediately after the end of the immediately preceding Relevant Period.

6.2.2 During an Election Period and, if the Company has elected to cancel the Policy in accordance with clause 11.1.3 of the BPA, during the Enforcement Period, subject to Clause 6.2.3, the Chargor shall not be entitled to withdraw, apply, transfer or otherwise dispose of any assets or cash standing to the credit of, or held in, any Designated Custody Account for the purpose set out in Clause 6.2.1(F) without the prior written consent of the Beneficiary but may continue to withdraw, apply, transfer or otherwise dispose of any such assets or cash (or both) for any of the purposes set out in Clauses 6.2.1(A) to 6.2.1(E) (inclusive).

6.2.3 Each of the Beneficiary and the Company acknowledges that, without prejudice to the Chargor's obligations under Clause 6.2.2 to obtain the Beneficiary's consent in the circumstances specified therein, under the provisions of the Custody Account Control Agreement, as between the Custodian, the Chargor and the Beneficiary, the Custodian may accept certification by the Chargor (or any investment manager appointed by the Chargor) that the Chargor (or such investment manager) may exercise its rights in respect of the Charged Assets standing to the credit of, or held in or reflected on, any Designated Custody Account without the consent of the Beneficiary or the Company.

6.2.4 For the avoidance of any doubt, each of the Beneficiary and the Company acknowledges and agrees that, save as expressly contemplated by this Deed, neither the Beneficiary nor the Company shall have any right to control, or restrict the use of, the Charged Assets (or any of them) or any right to have the benefit of any Encumbrance over any asset of the Chargor which is not a Charged Asset.

## 7 DERIVATIVES

Prior to the enforcement of the security created under this Deed in accordance with Clause 4 (*Enforcement*), the Chargor may novate its rights or obligations (or both), assign or dispose of its rights under, exercise its rights and obligations under, and otherwise deal with (including terminating or replacing) the Derivatives as it (in its sole discretion) sees fit, without the consent of the Beneficiary or the Company. Nothing in this Deed shall restrict the Chargor's rights to novate or terminate a Derivative as contemplated by clause 11.1.6 of the BPA.

## 8 PROTECTION OF PURCHASERS

### 8.1 Absence of Enquiry

No person or persons dealing with the Beneficiary shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Beneficiary.

**8 2     Receipt. Conclusive Discharge**

The receipt of the Beneficiary shall be a conclusive discharge to any purchaser of the Charged Assets

**9        POWER OF ATTORNEY AND DELEGATION**

**9 1     Power of Attorney: General**

The Chargor hereby irrevocably and by way of security appoints the Beneficiary to be its attorney in its name and on its behalf and as its act and deed

9 1 1     to take any action which the Chargor is obliged to take under this Deed but has not taken by the due date therefor and after having been given 14 days' notice by the Beneficiary to do so, and

9 1 2     following the occurrence of the Enforcement Date and whilst the circumstances giving rise thereto are continuing to take any action required to enable the Beneficiary to exercise all or any of its rights in accordance with this Deed

**9 2     Power of Attorney: Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 9 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause

**9 3     General Delegation**

The Beneficiary shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation

**10      APPLICATION OF MONIES RECEIVED UNDER THIS DEED**

Any monies received by the Beneficiary (or any other person on its behalf) under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement be applied in or towards satisfaction of the Secured Liabilities

**11      RELEASE OF SECURITY**

The security created by or in accordance with this Deed and all the obligations and liabilities of the Chargor hereunder shall be automatically released and cease to apply on the Security Discharge Date and each of the Beneficiary and the Company shall, at the request of the Chargor, promptly execute and do all such deeds, acts and things as the Chargor may reasonably request to give effect to or evidence such release

**12      MISCELLANEOUS**

**12 1     The Chargor**

This Deed shall be binding on the successors and assigns of the Chargor

**12 2     Assignment and Transfer**

Neither the Chargor nor the Company may assign or transfer any of its rights or obligations under this Deed. The Beneficiary shall assign and transfer all of its rights and obligations under this Deed to its successors in title as trustees of the Scheme

**12 3 Continuing Security**

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities

**12 4 Additional Security**

This Deed shall be in addition to and not be affected by any other security or guarantee at any time held by the Beneficiary for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to the Beneficiary of or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee

**12 5 Variation of Security**

This Deed shall not in any way be affected or prejudiced by the Beneficiary at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 12 4 (*Additional Security*) or any rights which the Beneficiary may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever

**12 6 Enforcement of Other Encumbrance**

The Beneficiary shall not be obliged to enforce any other Encumbrance it may hold for, or exercise any other rights it may have in relation to, the Secured Liabilities before enforcing any of its rights under this Deed

**12 7 Redemption of Prior Encumbrances**

The Beneficiary may redeem or take a transfer of any prior Encumbrance over the Charged Assets which is not a Permitted Encumbrance and may agree the accounts of prior encumbrancers

**12 8 Amendments**

No variation of this Deed shall be effective unless it is in writing signed by or on behalf of each of the parties to this Deed

**13 NOTICES**

The provisions of clause 22 4 of the BPA shall apply to this Deed *mutatis mutandis*

**14 LAW**

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law

**15 ENFORCEMENT**

**15 1 Jurisdiction of English courts**

15 1 1 The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a "Dispute")

15 1 2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will

(A) argue to the contrary, or



- (B) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England

**IN WITNESS** whereof this Deed has been duly executed and delivered as a deed on the date first above written

EXECUTED AS A DEED by )  
PENSION INSURANCE )  
CORPORATION LIMITED )

acting by [REDACTED] )  
in the presence of [REDACTED] )

Director JOHN COOMBER

SAMANTHA BROWN  
Name of witness  
(in BLOCK CAPITALS)

c/o HERBERT SMITH FREEHILLS LLP  
EXCHANGE HOUSE  
PRIMROSE STREET  
LONDON EC2A 2EL  
Address of witness

SIGNED by )  
for and on behalf of )  
EMI GROUP PENSION )  
TRUSTEES LIMITED )

[REDACTED]

CLIVE GILCHRIST

SIGNED by )  
for and on behalf of )  
EMI PENSION SPONSOR )  
LIMITED )

[REDACTED]

JAY SOLANKI

[REDACTED]

SWAPNIL KATEAR

[REDACTED]

KEITH CRIDER

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## SCHEDULE 1 QUALIFYING ASSETS

Each of the securities, instruments or assets referred to in paragraphs 1 to 11 (inclusive) below is a Qualifying Asset

- 1 any asset which is of the same type as an Initial Investment,
- 2 cash,
- 3 any governmental or supra-national debt securities with the Required Rating (or higher) at the time acquisition thereof or investment therein,
- 4 any corporate bond or commercial paper with (or the issuer thereof has) the Required Rating (or higher) at the time of acquisition thereof or investment therein,
- 5 any covered bond that carries a rating (or is treated by the Chargor (acting reasonably) as having a rating), or the issuer thereof is rated with, the Required Rating (or higher) at the time of acquisition thereof or investment therein,
- 6 any loan to an infrastructure project with (or the borrower thereof has) the Required Rating (or higher) at the time of that loan, acquisition thereof or investment therein,
- 7 any loan to a social housing association with the Required Rating (or higher) at the time of acquisition thereof or investment therein,
- 8 any collective investment scheme that invests in any one or more of the assets listed above,
- 9 any asset transferred in specie to the Chargor from the Scheme pursuant to the BPA or the Asset Implementation Agreement (or both),
- 10 any asset transfer from the Company or the Trustee to the Scheme pursuant to the BPA or the Asset Implementation Agreement (or both), and
- 11 any unrated equity or debt security or derivative interest which the Chargor assesses to have a risk profile at least equal to a Required Rating and the Trustee (acting reasonably) either confirms its agreement with the Chargor's assessment or otherwise agrees that such asset may be a Qualifying Asset or fails to object to the Chargor's proposed acquisition or investment in such asset(s) in writing within 5 Business Days of being notified of the same

For the purpose of this Schedule 1, "Required Rating" means a rating of BBB- by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc or Fitch Ratings Ltd, Baa3 by Moody's Investors Service Limited or an equivalent rating by any other international rating agency

HARRIET SLACK  
CLIFFORD CHANCE  
0207 006 4696.