



**Registration of a Charge**

Company Name: **HAMSARD 2517 (NEW BUSINESS) LIMITED**

Company Number: **05897148**



Received for filing in Electronic Format on the: **19/12/2023**

XCIPPVGX

**Details of Charge**

Date of creation: **18/12/2023**

Charge code: **0589 7148 0005**

Persons entitled: **DEUTSCHE BANK AG, LONDON BRANCH AS SECURITY AGENT FOR THE SECURED PARTIES.**

Brief description: **SECURITY BY WAY OF ASSIGNMENT OF ALL THE CHARGOR'S RIGHTS UNDER EACH SUBORDINATED DEBT DOCUMENT AND IN RESPECT OF ALL SUBORDINATED DEBT.**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

Certified by: **DANIEL JACOB LEE**



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

Company number: 5897148

Charge code: 0589 7148 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th December 2023 and created by HAMSARD 2517 (NEW BUSINESS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th December 2023 .

Given at Companies House, Cardiff on 22nd December 2023

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



**Companies House**



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

Dated 18 December 2023

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**HAMSARD 2517 (NEW BUSINESS) LIMITED**

**as Chargors**

**and**

**DEUTSCHE BANK AG, LONDON BRANCH**

**as Security Trustee**

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**SUBORDINATED CREDITOR  
SECURITY DEED**

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**Slaughter and May**  
One Bunhill Row  
London EC1Y 8YY  
DVH/JUXB/DXYL

I certify that, save for material redacted pursuant to s.859G of the  
Companies Act 2006, this is a true copy.

**SLAUGHTER AND MAY**

Slaughter and May  
19 December 2023

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THIS DEED is made on 18 December 2023

**PARTIES:**

- (1) **RETIREMENT BRIDGE INVESTMENTS LIMITED**, a company incorporated in England and Wales, with company number 09826520, having its registered office at 54 Portland Place, London, United Kingdom, W1B 1DY; and
- (2) **HAMSARD 2517 (NEW BUSINESS) LIMITED** a company incorporated in England and Wales, with company number 05897148, having its registered office at Suite 4, First Floor Honeycomb, The Watermark, Gateshead, Tyne & Wear, England, NE11 9SZ,  
  
(each being a "Chargor" and together the "Chargors");
- (3) **DEUTSCHE BANK AG, LONDON BRANCH**, as security trustee for the Secured Parties (as defined below) (the "Security Trustee").

IT IS AGREED as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed, have the same meaning when used in this Deed and in addition:

"**Borrower**" means Equity Release Investment Company 2 Limited, a private limited company registered in England and Wales with company number 11858177.

"**Deed of Subordination**" means a deed of subordination made or to be made between, among others, the Chargors and the Security Trustee.

"**Delegate**" means a delegate or sub-delegate appointed pursuant to 14.2 (*Delegation*).

"**Dissolution**" means any corporate action, legal proceedings or other procedure or step or any event or circumstance as described in Clause 23.7 (*Insolvency Proceedings*) of the Facility Agreement.

"**Event of Default**" means any event or circumstance specified as such in the Facility Agreement.

"**Facility Agreement**" means the £30,000,000 term facility agreement made between Deutsche Bank AG, London Branch as the agent, Deutsche Bank AG, London Branch as the original lender, the

Security Trustee as the security trustee, the Borrower as the borrower and Retirement Bridge Group Holdings Limited as a guarantor dated on or about the date of this Deed.

**"Finance Party"** means an Administrative Party, or a Lender.

**"LPA 1925"** means the Law of Property Act 1925.

**"Receiver"** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale or other disposal of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all other assets and rights at any time receivable or distributable in respect of, or in exchange for, that asset;
- (d) the benefit of all rights in respect of or appurtenant to that asset (including, the benefit of all claims, distributions, covenants for title, warranties, guarantees, indemnities and security interests); and
- (e) any moneys and proceeds paid or payable in respect of that asset.

**"Secured Obligations"** means all present and future obligations and liabilities of each Obligor and the Chargors (whether actual or contingent and whether owed jointly or severally or in any other capacity whatever) which are, or are expressed to be, or may become, due, owing or payable to the Security Trustee (whether for its own account or as agent or trustee for the Secured Parties) or to any of the other Secured Parties under or in connection with any of the Finance Documents or this Deed (as such documents may be varied, amended, waived, released, novated, supplemented, extended, restated or replaced from time to time, in each case, however fundamentally), together with all costs, charges and expenses incurred by the Security Trustee or any other Finance Party which are, or are expressed to be, or may become due, owing or payable by the relevant Chargor under or in connection with any Finance Document or this Deed.

**"Secured Parties"** means a Finance Party, a Receiver or any Delegate.

**"Security"** means the security interests constituted or expressed to be constituted in favour of the Security Trustee by or pursuant to this Deed.

**"Security Assets"** means all the assets which from time to time are the subject of the Security.

**"Security Rights"** means all rights of the Security Trustee or any Receiver or Delegate provided by or pursuant to this Deed or by law in respect of the subject matter of this Deed.

**"Subordinated Debt"** has the meaning given to it in the Deed of Subordination.

**"Subordinated Debt Document"** has the meaning given to it in the Deed of Subordination.

## **1.2 Construction of Particular Terms**

Unless a contrary intention appears, in this Deed the provisions of Clause 1.2 (*Construction*) of the Facility Agreement shall apply as if set out in full in this Deed, save that references to the Facility Agreement shall be construed as references to this Deed and:

- (a) **"assets"** includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
- (b) **"authorisation"** or **"consent"** shall be construed as including any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
- (c) a **"company"** includes any company, corporation or other body corporate, wherever and however incorporated or established;
- (d) **"this Deed"** or any other agreement or instrument is a reference to this Deed or other agreement or instrument as it may have been amended, supplemented, replaced or novated from time to time and includes a reference to any document which amends, supplements, replaces, novates or is entered into, made or given pursuant to or in accordance with any of the terms of this Deed or, as the case may be, the relevant deed, agreement or instrument;
- (e) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (f) **"law"** includes any present or future common or customary law, principles of equity and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, bye-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;



- (g) **"qualified person"** means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed or an administrative receiver of any such company;
- (h) **"rights"** includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi easements and appurtenances (in each case, of every kind, present, future and contingent); and
- (i) **"security"** includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind having the effect of securing any obligation of any person (including the deposit of moneys or property with a person with the intention of affording such person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any "flawed-asset" or "hold back" arrangement) and **"security interest"** shall be construed accordingly.

### **1.3 Interpretation of this Deed**

- (a) Unless a contrary indication appears, a reference to any party or person shall be construed as including its and any subsequent successors in title, permitted transferees and permitted assigns, in each case in accordance with their respective interests.
- (b) Unless a contrary indication appears, a reference to a time of day shall be construed as referring to London time.
- (c) The terms "include", "includes" and "including" shall be construed without limitation.
- (d) References in this Deed to any Clause or Schedule shall be to a clause or schedule contained in this Deed.
- (e) Clause and Schedule headings are for ease of reference only and shall be ignored in construing this Deed.
- (f) Unless a contrary indication appears, references to any provision of any law are to be construed as referring to that provision as it may have been, or may from time to time be, amended or re enacted, and as referring to all bye laws, instruments, orders, decrees, ordinances and regulations for the time being made under or deriving validity from that provision.
- (g) The terms of the other Finance Documents and any side letters between the Parties in relation to any Finance Document are incorporated in this Deed to the extent required for any contract for the disposition of an interest in land (as defined in section 2(6) of the Law of Property

(Miscellaneous Provisions) Act 1989) contained in this Deed to be a valid agreement in accordance with section 2(1) of that Act.

- (h) Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, substituted, novated or assigned, whether or not as a result of any of the same:
- (i) there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
  - (ii) any additional, further or substituted facility to or for such facility is provided;
  - (iii) any rate of interest, commission or fees or relevant purpose is changed;
  - (iv) the identity of the parties is changed;
  - (v) the identity of the providers of any security is changed;
  - (vi) there is an increased or additional liability on the part of any person; or
  - (vii) a new agreement is effectively created or deemed to be created.

#### **1.4 Third Party Rights**

- (a) Save as otherwise provided in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or Delegate may, subject to this Clause 1.4 and the Contracts (Rights of Third Parties) Act 1999, rely on any Clause of this Deed which expressly confers rights on it.

## **2. PAYMENT OF SECURED OBLIGATIONS**

### **2.1 Covenant to Pay**

The Chargors shall pay and discharge the Secured Obligations in accordance with the Finance Documents or, as the case may be, this Deed.

## **2.2 Limited Recourse**

- (a) Notwithstanding Clause 2.1 above, although the liability of the Chargors under this Deed extends to all amounts owing under the Finance Documents by the Obligors, the Security Trustee (on behalf of the Secured Parties) agrees that the recourse of the Security Trustee to the Chargors under this Deed is to be limited to each Chargor's interest in the Security Assets.
- (b) Subject to this Clause 2.2, the liability of the Chargors to the Security Trustee pursuant to or otherwise in connection with this Deed in relation to the Secured Liabilities shall be satisfied only from the proceeds of sale or other disposal or realisation of the Security Assets pursuant to this Deed and limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to the Security Assets and upon payment of such sum, the Chargors (without prejudice to the rights of the Security Trustee against the Obligors and/or any other provider of security in respect of the Secured Liabilities) shall be released and discharged from any further liability to the Security Trustee under this Deed.
- (c) Nothing in this Clause 2.2:
  - (i) prevents the Security Trustee or any other Secured Party from bringing proceedings to prevent any amount owed by the Chargors becoming statute-barred or to enable the Security Trustee or any other Secured Party to protect or exercise any of its rights against a party (other than the Chargors);
  - (ii) affects the right of the Security Trustee or any other Secured Party to recover amounts in respect of the breach of a warranty or representation relating to:
    - (A) the existence, enforceability or priority of the Security granted under this Deed or another Security Document; or
    - (B) the title to any asset which is subject to the Security granted under this Deed or another Security Document (including the ownership of the relevant asset or the existence or non-existence of encumbrances affecting the assets or its use); or
  - (iii) prevents the Security Trustee or any other Secured Party from seeking or obtaining equitable relief (including a declaration) in relation to the Security granted under this Deed or another Security Document or a party (including the Chargors), other than an order requiring payment of money by the Chargors otherwise than in accordance with this Clause 2.2.

- (d) Nothing in this Clause 2.2 limits the liability of the Chargors in respect of any loss, cost or expense suffered or incurred by any Secured Party and arising from the Chargors' fraud, negligence or wilful default under or in connection with this Deed.

### **2.3 Interest on Demands**

If any Chargor fails to pay any sum payable by it pursuant to this Deed on its due date, interest shall accrue on the overdue amount from the due date until the date of actual payment (both before and after judgment) calculated on a daily basis at the rate determined in accordance with Clause 8.3 (*Default Interest*) of the Facility Agreement.

## **3. CREATION OF SECURITY**

### **3.1 Subordinated Debt**

As continuing security for the full and punctual payment, performance and discharge of the Secured Obligations, with full title guarantee and free from any security interest, the Chargors assign absolutely, subject to a proviso for re-assignment on redemption, all of its rights:

- (a) under each Subordinated Debt Document; and
- (b) in respect of all Subordinated Debt,

in favour of the Security Trustee as trustee for the Secured Parties.

## **4. PEFECTION: SUBORDINATED DEBT**

- (a) The Chargors shall, if required by the Security Trustee, on the date of this Deed deliver to the Security Trustee (or procure the delivery of) duly executed notices, substantially in the form set out in Schedule 1 (*Notices*) or otherwise as required by the Security Trustee to each relevant counterparty, in respect of each Subordinated Debt Document.
- (b) The Chargors shall procure as soon as possible that each notice referred to in paragraph (a) above is acknowledged by the relevant recipient substantially in the form set out in Schedule 1 (*Notices*) or otherwise in a form satisfactory to the Security Trustee.

## **5. FURTHER ASSURANCE**

### **5.1 General**

Each Chargor shall (at its own cost), promptly upon request by the Security Trustee take all action necessary or desirable to:

- (a) ensure that the Security is and remains valid, legally binding and enforceable;
- (b) perfect, preserve or protect the Security and its priority; and/or
- (c) facilitate the exercise of any and all of the Security Rights and the realisation of the Security Assets,

including the execution of all such mortgages, charges, assignments and other documents, the giving of all such notices, orders, instructions and directions and the making of all such registrations and filings as the Security Trustee or any Receiver or Delegate may acting reasonably consider necessary from time to time.

## **5.2 Implied Covenants for Title**

The obligations of the Chargors under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

## **6. REPRESENTATIONS**

The Chargors make the representations and warranties set out in this Clause 6 to each Secured Party on the date of this Deed.

### **6.1 Status**

- (a) It is a limited liability company duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

### **6.2 Binding obligations**

The obligations expressed to be assumed by it under and in connection with this Deed and the Secured Obligations are, subject to the Legal Reservations, valid, binding and enforceable obligations.

### **6.3 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by this Deed and the Secured Obligations do not and will not conflict with:

- (a) any law or regulation applicable to it;

- (b) its or the Borrower's constitutional documents; or
- (c) any agreement or instrument binding upon it or its assets.

#### **6.4 Power and authority**

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the granting of Security or giving of indemnities contemplated by this Deed.

#### **6.5 Validity and admissibility in evidence**

Subject to the Legal Reservations, all authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect.

#### **6.6 Insolvency**

- (a) Each Chargor is not Insolvent and is able to pay its debts as they fall due.
- (b) Each Chargor will not become unable to pay its debts as they fall due in consequence of any transaction contemplated by this Deed.
- (c) Each Chargor is entering into this Deed for its own commercial benefit in good faith.

#### **6.7 Governing law and enforcement**

Subject to any applicable Legal Reservations:

- (a) the choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- (b) any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

#### **6.8 No filing or stamp taxes**

It is not necessary that this Deed be filed, recorded, notarised or enrolled with any court or other authority or that any stamp, stamp duty land tax, land and buildings transaction tax, land transaction tax, registration notarial or similar Taxes be paid on or in relation to this Deed or the transactions contemplated by this Deed except for any registration of particulars of this Deed at Companies House under the Companies Act 2006 and payment of associated fees which registrations, filings, taxes and fees will be made and paid promptly after the date of this Deed.

#### **6.9 No misleading information**

Any factual information which has been provided in writing by it or on its behalf with respect to the Security Assets was true, accurate and complete in all material respects as at the date it was provided or as at the date (if any) at which it is stated and was not in the reasonable opinion of the Chargors misleading in any material respect.

#### **6.10 No existing security**

No security interest (other than a Permitted Security Interest) exists on, over or in relation to any of the Security Assets at the date of this Deed.

#### **6.11 No proceedings subsisting, threatened or pending**

- (a) No Chargor has received written notice of any legal proceedings, dispute or complaint (subsisting, threatened or pending) which is reasonably likely to have a Material Adverse Effect.
- (b) No litigation, arbitration, legal or administrative proceedings or investigations of or before any court, arbitral body or agency or any dispute or complaint which, if adversely determined, are reasonably likely to have a Material Adverse Effect, have been started or threatened against the Chargors.
- (c) No judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is reasonably likely to have a Material Adverse Effect has been made against the Chargors.

#### **6.12 No breach of laws**

Each Chargor has not breached any law or regulation which breach has or would be reasonably likely to have a Material Adverse Effect.

### **6.13 Beneficial owner**

Each Chargor is the sole legal and beneficial owner of the respective Security Assets over which it purports to grant Security.

### **6.14 Centre of main interests and establishments**

- (a) Each Chargor's "centre of main interests", as that term is used in Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (Recast) (the "**EU Insolvency Regulation**") as it forms part of domestic law of the United Kingdom as amended by the Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146) and Insolvency (Amendment) (EU Exit) Regulations 2020 (SI 2020/647), is in England.
- (b) Each Chargor does not have any "establishment", as that term is used in the EU Insolvency Regulation as it forms part of domestic law of the United Kingdom as amended by the Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146) and Insolvency (Amendment) (EU Exit) Regulations 2020 (SI 2020/647), outside of England.

### **6.15 Pari passu ranking**

Each Chargor's payment obligations in respect of the Secured Obligations rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

### **6.16 Security Interests**

- (a) Subject to the Legal Reservations, this Deed confers or, as the case may be, will confer, upon execution and delivery and, where applicable, registration, a first priority Security Interest of the type described and which is not liable to avoidance on insolvency.

### **6.17 Dissolution**

No Dissolution has occurred in relation to each Chargor.

### **6.18 Subordinated Debt**

- (a) All payments to it by any other party to a Subordinated Debt Document are not subject to any right of set-off or similar.
- (b) There is no prohibition on assignment, or other restriction on the creation of security by the Chargors, in respect of any of the Subordinated Debt or its rights under any Subordinated Debt Document.



## **6.19 Repetition**

The representations set out in this Clause 6 are made by the Chargors on the date of this Deed, the Utilisation Date and are deemed to be made by reference to the facts and circumstances then existing on the first day of each Interest Period.

## **7. UNDERTAKINGS**

### **7.1 Negative Pledge**

The Chargors shall not (and the Chargors shall ensure that no other member of the Group will) create or permit to subsist any security interest over all or any part of the Security Assets save for any Permitted Security Interest.

### **7.2 No Disposal**

The Chargors shall not (and shall ensure that no other member of the Group will) enter into a single transaction or series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, licence, transfer, assign or otherwise dispose of any interest in a Security Asset save for any Permitted Portfolio Disposal or as otherwise, permitted by the Facility Agreement.

### **7.3 Preservation of Security Assets**

- (a) The Chargors shall not take or permit any action which is reasonably likely to impair or prejudice the Security Rights.
- (b) The Chargors shall punctually pay, as they become due, all debts and liabilities which by law would have priority over all or any part of the Secured Obligations with respect to the Security Assets.

### **7.4 Information and Access**

- (a) The Chargors shall from time to time, on request of the Security Trustee, promptly provide the Security Trustee with such information as the Security Trustee may reasonably require about each Chargor's business and affairs, the Security Assets and its compliance with the terms of this Deed to the extent required for the Security Trustee to fulfil its duties and obligations or exercise its rights under this Deed.
- (b) While an Event of Default is continuing, the Chargors shall permit the Security Trustee, its representatives, professional advisers and contractors access during working hours and on reasonable notice to inspect and take copies and extracts from the books, accounts and records of the Chargors which relate to the Security Assets.

- (c) The Chargors shall promptly upon becoming aware of them, notify the Security Trustee of the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against it and which, if adversely determined, are reasonably likely to have a Material Adverse Effect.

#### **7.5 Authorisations**

The Chargors shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Security Trustee of,

any Authorisation required under any law or regulation of its jurisdiction of constitution or incorporation to enable it to perform its obligations under the Finance Documents and this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of constitution incorporation of the Finance Documents to which it is party and this Deed.

#### **7.6 Compliance with laws**

The Chargors shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under this Deed.

#### **7.7 Subordinated Debt**

- (a) The Chargors shall deliver to the Security Trustee on the date of this Deed (and, if any change occurs thereafter, on the date of such change), a copy of each Subordinated Debt Document.
- (b) The Chargors shall not:
  - (i) amend, supplement, vary or waive any provision of any Subordinated Debt Document (or agree to do so);
  - (ii) exercise any right to rescind, cancel or terminate any Subordinated Debt Document;
  - (iii) release any counterparty from its obligations under a Subordinated Debt Document;
  - (iv) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute a breach under any Subordinated Debt Document; or
  - (v) novate, transfer or assign any of its rights under any Subordinated Debt Document (save as provided pursuant to this Deed).

- (c) Each Chargor shall, subject to Clause 11.3 (*Security enforceable – Subordinated Debt*) duly perform its obligations and diligently pursue its rights under each of the Subordinated Debt Documents provided that the exercise of such rights is not inconsistent with the terms of the Finance Documents and this Deed.
- (d) Each Chargor shall promptly pay any amounts which may be due or become due in respect of the Subordinated Debt and should it fail to do so, reimburse the Security Trustee on demand in respect of any such amounts paid by the Security Trustee on its behalf.
- (e) Each Chargor shall ensure that the Subordinated Debt is and remains free from any restrictions on transfer or rights of pre-emption and are not subject to any option to purchase or similar right.
- (f) Each Chargor will promptly deliver to the Security Trustee all such other information concerning the Subordinated Debt as the Security Trustee shall reasonably request from time to time.

## **8. POWER OF ATTORNEY**

### **8.1 Appointment**

- (a) Each Chargor appoints as its attorney, irrevocably (within the meaning of section 4 of the Powers of Attorney Act 1971) and by way of security for the performance of its obligations under this Deed, the Security Trustee and any person nominated in writing by the Security Trustee, severally (with full powers of substitution and delegation), on its behalf and in its name or otherwise and as its act and deed, at such time and in such manner as the attorney may think fit:

- (i) to take any action which it is obliged to take under this Deed but has not taken; and
- (ii) to take any action required to enable the Security Trustee to exercise all or any of the Security Rights,

and the taking of action by the attorney or attorneys shall (as between the attorney and any third party) be conclusive evidence to any third party of its right to take such action.

- (b) The Security Trustee may only exercise the power of attorney granted by the Chargors pursuant to Clause 8.1(a) while an Event of Default is continuing.

### **8.2 Ratification**

Each Chargor undertakes to ratify and confirm everything that any attorney does or purports to do in the exercise or purported exercise of the power of attorney in Clause 8.1 (*Appointment*).

## **9. EFFECTIVENESS OF SECURITY**

### **9.1 Continuing Security**

- (a) The Security shall remain in full force and effect as continuing security for the Secured Obligations unless and until discharged by the Security Trustee in accordance with Clause 10 (*Release Of Security*).
- (b) No part of the Security will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

### **9.2 Additional Security**

The Security and the Security Rights shall be cumulative, in addition to and independent of every other security which the Security Trustee or any Secured Party may at any time hold for the Secured Obligations or any other rights provided by law. No prior security held by the Security Trustee (whether in its capacity as Security Trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Security Assets shall merge into the Security.

### **9.3 No Prejudice**

Without prejudice to any other provision of this Deed, none of the Security, its priority, the Security Rights nor the liability of the Chargors or any other person for the Secured Obligations shall be prejudiced, reduced, released or otherwise adversely affected by any act, omission, fact or any other thing which but for this Clause 9.3 would or may do so, including:

- (a) any time, waiver or consent granted, or any other indulgence or concession granted to the Chargors or any other person;
- (b) the release of the Chargors or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee, indemnity or any other document including any arrangement or compromise entered into by the Security Trustee or any other Secured Party with the Chargors or any other person;
- (d) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee, indemnity or other document (including, any failure to comply with any formality or other requirement or any failure to realise the full value of any security);

- (e) the existence of any claim, set-off or other right which the Chargors may have at any time against the Security Trustee or any other Secured Party or any other person;
- (f) the making or absence of any demand for payment or discharge of any Secured Obligations;
- (g) any amalgamation, merger or reconstruction that may be effected by the Security Trustee with any other person, including any reconstruction by the Security Trustee involving the formation of a new company and the transfer of all or any of its assets to that company, or any sale or transfer of the whole or any part of the undertaking and assets of the Security Trustee to any other person;
- (h) any incapacity, lack of power, authority or legal personality of or Dissolution or change in the members or status of the Chargors or any other person;
- (i) any variation, amendment, waiver, release, novation, supplement, extension or restatement or replacement of any Finance Document, or any other security, guarantee, indemnity or other document, in each case however fundamental and of whatsoever nature;
- (j) any change in the identity of the Security Trustee or any variation of the terms of the trust upon which the Security Trustee holds the security; or
- (k) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other security, guarantee, indemnity or other document.

#### **9.4 Details of Security Assets**

The fact that no or incomplete details of any Security Asset are inserted in the Schedules to this Deed shall not affect the validity or enforceability of the Security.

#### **9.5 Immediate recourse**

Each Chargor waives any right it may have of first requiring any Finance Party (or the Security Trustee on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargors under this Deed. The waiver applies irrespective of any law or any provision of this Deed to the contrary.

#### **9.6 Deferral of Rights**

- (a) Until such time as the Security has been released in accordance with Clause 10 (*Release Of Security*), each Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (i) to claim, rank, prove or vote as a creditor of any other party to any of the Finance Documents or any member of the Group; or
  - (ii) to receive, claim or have the benefit of any payment, guarantee, indemnity, contribution or security from or on account of any such party (in whole or in part or whether by way of subrogation or otherwise); and/or
  - (iii) of set-off, combination or counter-claim or in relation to any "flawed-asset" or "hold back" arrangement as against any such party.
- (b) Each Chargor shall hold on trust for, and immediately pay or transfer to, the Security Trustee an amount equal to any payment or benefit received by it contrary to paragraphs (a)(i) or (ii) above.
- (c) If any Chargor exercises any right of set-off, combination or counter-claim or any rights in relation to any "flawed asset" or "hold back arrangement" contrary to (a)(iii) above, it will immediately pay or transfer to the Security Trustee an amount equal to the amount set-off, combined or counterclaimed.
- (d) The Security Trustee shall apply all amounts received pursuant to (b) and (c) above in accordance with Clause 15 (*Application Of Moneys*).

#### **9.7 New Account**

At any time after:

- (a) the Security Trustee or any Secured Party (acting in its capacity as trustee or otherwise) receives or is deemed to have received notice of any subsequent security interest affecting all or any part of the Security Assets or any assignment or transfer of the Security Assets which is prohibited by the terms of this Deed or the Facility Agreement; or
- (b) the commencement of the Dissolution of any Chargor,

all payments by or on behalf of the relevant Chargor to the Security Trustee or any Secured Party (whether in its capacity as trustee or otherwise) shall be treated as having been credited to a new account of that Chargor and not, upon the occurrence of any of the circumstances specified in paragraphs (a) or (b) above, as having been applied in reduction of the Secured Obligations.

## **9.8 Part A1 of the Insolvency Act 1986**

- (a) Subject to paragraph (b) below, but notwithstanding the other provisions of this Deed, the obtaining of a moratorium, or anything done with a view to obtaining a moratorium, under Part A1 of the Insolvency Act 1986 for any Chargor, will not, by itself:
  - (i) cause any floating charge granted by the Chargors under this Deed to crystallise; nor
  - (ii) cause restrictions in this Deed or the Finance Documents which would not otherwise apply to be imposed on the disposal of property by the Chargors; nor
  - (iii) be a ground for the appointment of a Receiver of the Chargors.
- (b) Paragraph (a) above shall not apply to any floating charge of a type referred to in section A52(4) of Part A1 of the Insolvency Act 1986.
- (c) The Security Trustee may not, for the duration of a moratorium under Part A1 of the Insolvency Act 1986, give any notice which would have the effect of causing any floating charge granted by the Chargors under this Deed to crystallise or cause restrictions would not otherwise apply to be imposed on the disposal of property by the Chargors.

## **10. RELEASE OF SECURITY**

### **10.1 Release of Security Assets**

If:

- (a) all Secured Obligations have been unconditionally and irrevocably paid or discharged in full and that none of the Secured Parties has any further liability or obligation to advance any funds under any Finance Document; or
- (b) security or a guarantee for the Secured Obligations, in either case, acceptable to the Security Trustee, has been provided in substitution for this Deed; or
- (c) any Chargor is unconditionally entitled pursuant to any provision of the Finance Documents to have any Security Asset released from the Security,

then, subject to Clause 10.2 (*Reinstatement*), the Security Trustee shall, at the request and cost of the Chargors, take all necessary action to release the Security Assets (or, in the case of (c) above, the relevant Security Assets), from the Security.

## **10.2 Reinstatement**

If the Security Trustee reasonably considers that any payment to, or security or guarantee provided to any Finance Party is capable of being avoided, reduced or invalidated by virtue of applicable law the liability of the Chargors under this Deed and the Security shall continue as if such amounts had not been paid or as if any such security or guarantee had not been provided.

## **11. ENFORCEMENT**

### **11.1 Timing of Enforcement**

The Security shall be enforceable immediately upon and at any time after the occurrence of an Event of Default which is continuing.

### **11.2 Enforcement Rights**

Upon or after the Security becoming enforceable the Security Trustee may, without notice to the Chargors or prior authorisation from any court enforce all or any part of that Security and exercise all or any of the powers, authorities and discretions conferred by the Finance Documents including this Deed or otherwise by law on mortgagees, chargees and Receivers (whether or not it has appointed a Receiver), in each case at the times, in the manner and on the terms it thinks fit.

### **11.3 Security enforceable – Subordinated Debt**

Upon or after the Security becoming enforceable and subject to service of notice on the Chargors by the Security Trustee, all Subordinated Debt, interest and other moneys arising from the Subordinated Debt shall be paid to the Security Trustee (or to such account as it shall direct) for application in accordance with Clause 15 (*Application Of Moneys*). Pending payment the Chargors shall hold all such interest and other moneys on trust for the Security Trustee.

### **11.4 Financial Collateral Regulations**

- (a) To the extent that any of the Security Assets, this Deed and the rights and obligations of the parties under this Deed constitute a "security financial collateral arrangement" (as defined in and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226) (the "**Regulations**")), at any time on or after the Security becoming enforceable, the Security Trustee shall have the benefit of all of the rights of a collateral taker conferred upon it by the Regulations, including the right to appropriate all or any part of the financial collateral (as defined in the Regulations) in or towards discharge of the Secured Obligations.
- (b) The parties agree that the value of the financial collateral (as defined in the Regulations) so appropriated shall be the market value of such financial collateral determined (after



appropriation) by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, which may be independent valuation.

The parties agree that the methods of valuation set out in paragraph (b) above are commercially reasonable methods of valuation for the purposes of the Regulations.

#### **11.5 No liability as mortgagee in possession**

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

#### **11.6 Set-off**

The Security Trustee may (but shall not be obliged to) set off any matured obligation due from the Chargors under the Finance Documents (to the extent beneficially owned by the Security Trustee) against any matured obligation owed by any entity within the Security Trustee's Group to the Chargors, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. Any currency charges or usual charges and all applicable Taxes in relation to such currency exchanges shall be subject to the indemnity in Clause 19.2 (*Enforcement costs*).

### **12. EXTENSION AND VARIATION OF POWERS CONFERRED BY LAW**

#### **12.1 Extension of Powers**

The powers conferred by section 101 of the LPA 1925 as varied and extended by this Deed shall be deemed to arise (and the Secured Obligations shall be deemed due and payable for that purpose) immediately on execution of this Deed. Section 109(1) of the LPA 1925 shall not apply to this Deed.

#### **12.2 Restrictions**

The restrictions contained in Sections 93 and 103 of the LPA 1925 shall not apply to this Deed or to the exercise by the Security Trustee or any Receiver or Delegate of its right to consolidate all or any of the Security with any other security in existence at any time or to its power of sale.

#### **12.3 Power of Leasing**

- (a) The statutory powers of leasing conferred by sections 99 and 100 of the LPA 1925 may be exercised by the Security Trustee or any Receiver or Delegate at any time on or after the Security becomes enforceable. The Security Trustee and any Receiver or Delegate may make

any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA 1925.

- (b) For the purposes of sections 99 and 100 of the LPA 1925, the expression "mortgagor" shall include any encumbrancer deriving title under the original mortgagor and section 99(18) of the LPA 1925 and section 100(12) of the LPA 1925 shall not apply.

### **13. APPOINTMENT OF RECEIVERS**

#### **13.1 Appointment**

Subject to Clause 9.8 (*Part A1 of the Insolvency Act 1986*), at any time:

- (a) on or after any of the Security becoming enforceable (whether or not the Security Trustee shall have taken possession of the Security Assets); or
- (b) at the written request of the Chargors,

the Security Trustee may, without notice to the Chargors, appoint, one or more qualified persons to be Receiver or Receivers. If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give the relevant persons power to exercise all or any of the powers conferred on Receivers individually as well as jointly and to the exclusion of the other or others of them.

#### **13.2 Scope of appointment**

Any Receiver may be appointed either Receiver of all the Security Assets or of such part of the Security Assets as may be specified in the appointment. In the latter case, the rights conferred by Clause 13.4 (*Powers of Receivers*) shall take effect as though every reference in that clause to "rights" were a reference to rights in respect of the specified part of the Security Assets.

#### **13.3 Removal**

The Security Trustee may, by deed or by instrument in writing signed by any officer or other person authorised for such purpose by it (so far as it is lawfully able and subject to any requirement of the court in the case of an administrative receiver), remove any Receiver appointed by it and may, whenever it deems expedient, appoint any one or more other qualified persons in place of or to act jointly with any other Receiver.

#### **13.4 Powers of Receivers**

Any Receiver appointed under this Deed will (subject to any contrary provision specified in his appointment but notwithstanding the Dissolution of the Chargors) have:

- (a) all the rights conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925;
- (b) all the rights of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 as in force at the date of this Deed (whether or not in force at the date of exercise) and all rights of an administrative receiver as may be added to Schedule 1 of the Insolvency Act 1986 after the date of this Deed, in either case, whether or not the Receiver is an administrative receiver;
- (c) the right to manage, use and apply all or any of the Security Assets and to exercise (or permit each Chargor or its nominee to exercise) all other rights of an absolute beneficial owner of the Security Assets;
- (d) the right to dispose of or otherwise realise all or any part of the Security Assets in any manner whatsoever (including any fixtures which may be severed and sold separately from the Real Property to which they are affixed);
- (e) the right to redeem or transfer to the Security Trustee any prior security interest over the Security Assets;
- (f) all the rights expressed to be conferred upon the Security Trustee in this Deed and all the rights to release the Security Assets from the Security conferred upon the Security Trustee in the Finance Documents; and
- (g) the right to do all lawful things which in the opinion of the Receiver seem to be incidental or conducive to any of the functions, powers, authorities or discretions conferred on or vested in him, the exercise of the Security Rights or bringing into his hands any assets forming part of, or which when got in would form part of, the Security Assets.

#### **13.5 Agent**

Any Receiver shall for all purposes be the agent of the Chargors and therefore deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925. Each Chargor shall be solely responsible for his contracts, engagements, acts, omissions, defaults and losses and for all liabilities incurred by him and for the payment of his remuneration. No Receiver shall at any time act as, or be deemed to be, agent of the Security Trustee or any Secured Party.

### **13.6 Remuneration**

Subject to section 36 of the Insolvency Act 1986, the Security Trustee may from time to time fix the remuneration of any Receiver appointed by it (without being limited to the maximum rate specified in section 109(6) of the LPA 1925) and may direct payment of such remuneration out of moneys accruing to him as Receiver, but the Chargors alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

## **14. DISCRETION AND DELEGATION**

### **14.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may, subject to the terms and conditions of the Facility Agreement, be exercised or made from time to time in its absolute and unfettered discretion without any obligation to give reasons.

### **14.2 Delegation**

- (a) Each of the Security Trustee and any Receiver may at any time delegate all or any of the rights conferred on it by this Deed.
- (b) The delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions as the Security Trustee may think fit.
- (c) Such delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or the Receiver itself or any subsequent delegation or revocation.
- (d) Under no circumstances shall the Security Trustee, nor any Secured Party nor any Receiver or Delegate nor any officer, agent or employee of any of them be liable to the Chargors or any other person as a result of or in connection with any act, default, omission or misconduct on the part of any Delegate.

## **15. APPLICATION OF MONEYS**

All moneys arising from the exercise of the powers of enforcement under this Deed shall (except as may be otherwise required by applicable law) be held by the Security Trustee and any Receiver and (subject to Clause 16 (*Suspense Account*), applied in the manner set out in Clause 29.1 (*Order of application*) of the Facility Agreement and section 109(8) of the LPA 1925 shall be deemed varied and extended in such respect.

## **16. SUSPENSE ACCOUNT**

The Security Trustee may place and retain in a suspense account, for as long as it considers fit, any moneys received, recovered or realised under or in connection with this Deed to the extent of the Secured Obligations, without any obligation on the part of the Security Trustee to apply such moneys in or towards the discharge of such Secured Obligations.

## **17. PROTECTION OF THIRD PARTIES**

### **17.1 Consideration**

The receipt of the Security Trustee or any Receiver or Delegate shall be conclusive discharge to a purchaser and any sale or disposal of any of the Security Assets or any acquisition by the Security Trustee or any Receiver or Delegate shall be for such consideration, and made in such manner and on such terms as it thinks fit.

### **17.2 Protection of Purchasers**

- (a) No purchaser or other person dealing with the Security Trustee, any Receiver or any Delegate shall be bound to inquire whether the right of the Security Trustee or such Receiver or Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver or Delegate in such dealings.
- (b) All the protections given to purchasers from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver in section 42(3) of the Insolvency Act 1986, shall apply equally to any person purchasing from or dealing with the Security Trustee, any Receiver or any Delegate.

## **18. NO LIABILITY**

Neither the Security Trustee nor any Secured Party nor any Receiver or Delegate nor any officer, agent or employee of any of them will in any circumstances (whether by reason of taking possession of the Security Assets or for any other reason whatsoever):

- (a) be liable to account to the Chargors or any other person for anything; or
- (b) be liable to the Chargors or any other person as a result of or in connection with:
  - (i) taking any action permitted by this Deed;
  - (ii) any neglect, default or omission in relation to the Security Assets; or

- (iii) taking possession of or realising all or any part of the Security Assets,

except in each case, to the extent directly caused by fraud or wilful default or gross negligence on its part.

## **19. COSTS AND EXPENSES**

### **19.1 Transaction and administration expenses**

The Chargors shall promptly on demand pay to the Security Trustee the amount of pre-agreed costs, charges, losses, liabilities, expenses and other sums (including legal, valuation and other professional or other costs, fees and expenses, subject to any agreed cap) other than as expressly required to be paid by another party under this Deed reasonably incurred by the Security Trustee, any Receiver or Delegate in connection with:

- (a) any waiver, consent or authorisation sought by the Chargors in relation to this Deed and/or any other document referred to in this Deed;
- (b) any supplement to this Deed and/or any other document referred to in this Deed; and
- (c) the taking, holding, administration or release of any Security or the exercise of any Security Rights.

### **19.2 Enforcement costs**

- (a) The Chargors shall, within three Business Days of demand, pay, on a full indemnity basis, the Security Trustee and every Receiver, Delegate or other person appointed by the Security Trustee under this Deed (each an "**Indemnified Party**") the amount of all costs and expenses (including legal fees) incurred by that Indemnified Party in connection with:
  - (i) the enforcement or the attempted enforcement of, or the preservation or the attempted preservation of, the protection or the attempted protection of, and the realisation or attempted realisation of any rights under this Deed and any other document referred to in this Deed and with any proceedings instituted by or against that Indemnified Party as a consequence of it entering into this Deed and any other document referred to in this Deed, or enforcing those rights; and
  - (ii) any default by the Chargors in the performance of any of the obligations expressed to be assumed by it under the Finance Documents and this Deed.
- (b) The Security Trustee, in priority to any payment to the Secured Parties may indemnify itself out of the Security Assets in respect of, and pay and retain all sums necessary to give effect to the

indemnity in this Clause 21.2 and shall have a lien on the Security Assets and the proceeds of enforcement of the Security Assets for all moneys payable to it.

## **20. PAYMENTS FREE OF DEDUCTION**

All payments to be made to the Security Trustee under this Deed shall be made free and clear of and without deduction for or on account of Tax unless any Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by that Chargor shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to Tax such deduction or withholding has been made, receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

## **21. SECURED PARTIES**

Each party agrees that the Security Trustee's interests and rights under and in respect of this Deed shall be held by the Security Trustee as agent and, to the extent permitted by law, trustee for itself and the Finance Parties for the time being and from time to time on the terms set out in the Facility Agreement. Accordingly, unless the context requires otherwise, all references in this Deed to the Security Trustee mean the Security Trustee in its capacity as agent and trustee, and each party to this Deed also agrees that the Secured Parties for the time being and from time to time shall have the benefit of this Deed.

## **22. CERTIFICATES AND DETERMINATIONS**

For all purposes, including any legal proceedings, a determination by the Security Trustee or a copy of a certificate signed by an officer of the Security Trustee, of the amount of any indebtedness comprised in the Secured Obligations or the amount standing to the credit of any account for the time being or at any time shall, in the absence of manifest error, be conclusive evidence against the Chargors as to such amount.

## **23. ASSIGNMENT**

### **23.1 Assignment by the Security Trustee**

The Security Trustee may at any time, without the consent of the Chargors, assign or transfer all of its rights and obligations under this Deed to any successor or additional Security Trustee appointed in accordance with the terms of Clause 28.1 (*Resignation of the Security Trustee*) of the Facility Agreement. Upon such assignment and transfer taking effect, the replacement Security Trustee shall be and be deemed to be acting as agent and trustee for each Secured Party (as well as for itself) for the purposes of this Deed in place of the previous Security Trustee.

### **23.2 Assignment by the Chargors**

Each Chargor shall not assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Deed.

### **24. AMENDMENTS**

This Deed may not be amended, modified or waived in any respect without the prior written consent of the Security Trustee given with express reference to this Clause 24.

### **25. NOTICES**

Each communication to be made under or in connection with this Deed shall be made in writing and in accordance with Clause 34 (*Notices*) of the Facility Agreement.

### **26. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay or omission in exercising, on the part of the Security Trustee, any right provided by law or under this Deed shall impair, affect or operate as a waiver of that or any other right or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Trustee shall be effective unless it is in writing. No single or partial exercise of any right shall prevent any further or other exercise or the exercise of any other right. The rights provided in this Deed are cumulative and not exclusive of any rights provided by law.

### **27. PARTIAL INVALIDITY**

- (a) If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither:
  - (i) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction; nor
  - (ii) the legality, validity or enforceability of such provision under the law of any other jurisdiction,will in any way be affected or impaired.
- (b) The parties shall enter into good faith negotiations, but without any liability whatsoever in the event of no agreement being reached, to replace any illegal, invalid or unenforceable provision with a view to obtaining the same commercial effect as this Deed would have had if such provision had been legal, valid and enforceable.



## **28. TRUSTS**

If any trust intended to arise pursuant to any provision of this Deed fails or for any reason (including the laws of any jurisdiction in which any assets, moneys, payments or distributions may be situated) cannot be given effect to, the Chargors will pay to the Security Trustee for application in accordance with Clause 15 (*Application Of Moneys*) an amount equal to the amount (or the value of the relevant assets) intended to be so held on trust for the Security Trustee.

## **29. EXECUTION AS A DEED**

Each of the parties intends this Deed to be a deed and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the parties may only execute it under hand.

## **30. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and by the parties to this Deed on separate counterparts, but will not be effective until each such party has executed at least one counterpart. Each counterpart shall constitute an original of this Deed, but all the counterparts will together constitute one and the same instrument.

## **31. JURISDICTION**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) or any non-contractual obligation arising out of or in connection with this Deed (a "Dispute").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This Clause 31 is for the benefit of only the Secured Parties. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

## **32. GOVERNING LAW**

This Deed is governed by and is to be construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Deed, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.

**IN WITNESS** of which this document has been signed on behalf of the Security Trustee and executed as a deed by the Chargors and is delivered on the date stated at the beginning of this Deed.

**SCHEDULE 1  
NOTICES**

**Form of Notice of Assignment of a Subordinated Debt Document**

[LETTERHEAD OF CHARGORS]

To: [Counterparty]  
[Address]

[Date]

Dear Sirs,

**NOTICE OF ASSIGNMENT**

We give you notice that we have assigned absolutely all our rights under or in respect of the [*describe Relevant Subordinated Debt Document*] (the "**Subordinated Debt Document**") in favour of [Deutsche Bank AG, London Branch] (the "**Security Trustee**").

We also give you notice that we have agreed with the Security Trustee that we will not amend, supplement, vary, waive, discharge, terminate, supersede, assign or novate the Subordinated Debt Document without their prior written consent.

We hereby instruct and authorise you as follows (notwithstanding any prior instructions to the contrary):

- (a) to disclose to the Security Trustee any information relating to the Subordinated Debt Document required by it from time to time;
- (b) following written notice to you from the Security Trustee confirming that an Event of Default is continuing, to pay or release all amounts payable to us under or in connection with the Subordinated Debt Document to the following bank account:

Account Bank: [name and address of Account Bank]

Account Name: [ ]

Account Number: [ ];

- (c) pending payment or release of any amounts payable to us under or in connection with the Subordinated Debt Document as specified above, to hold all such amounts to the order of the Security Trustee;

- (d) to agree with the Security Trustee (to the exclusion of us) any amendment, supplement, variation, waiver, discharge, termination, replacement, assignment or novation in relation to the Subordinated Debt Document; and
- (e) to comply with any written instruction received by you from the Security Trustee in relation to the Subordinated Debt Document from time to time (although save as expressly specified above, pending receipt of any such instructions you should continue to deal with us in relation to all matters relating to the Subordinated Debt Document).

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

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

Please confirm your agreement to the contents of this notice by executing and returning an original copy of the Form of Acknowledgement attached to this notice to the Security Trustee at [address] with a copy to us.

This notice is governed by English law.

Yours faithfully,

.....  
For and on behalf of  
**Chargors**

c.c. [Deutsche Bank AG, London Branch]

**Form of Acknowledgement of Notice of Assignment of a Subordinated Debt Document**

*[LETTERHEAD OF CONTRACT COUNTERPARTY]*

To: Deutsche Bank AG, London Branch (the "Security Trustee")  
*[Insert address]*

**[Date]**

Dear Sirs,

**ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT**

We acknowledge receipt of a notice dated [ ] (the "Notice") (a copy of which is attached to this letter) from [ ] (the "Chargors"). Words and expressions defined in the Notice shall have the same meanings in this letter.

At the request of the Security Trustee and the Chargors, we confirm that:

- (a) we accept the instructions and authorisations in the Notice and undertake to act in accordance with its terms;
- (b) we have not received notice of any previous assignment, charge, trust, claim or other third party interest or action affecting the Subordinated Debt Document and if, we receive any such notice, we shall immediately notify the Security Trustee; and
- (c) no circumstances exist which would entitle us to exercise any right of set-off or otherwise make any claim or counterclaim under or terminate the Subordinated Debt Document, and we shall not assert or seek to exercise any such rights against the Chargors without the prior written consent of the Security Trustee.

This letter is governed by English law.

Yours faithfully,

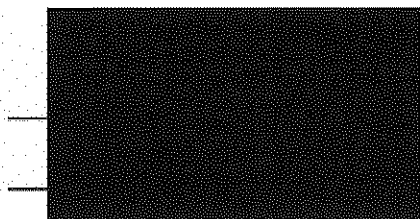
Signed for and on behalf of  
**[Counterparty]**

by \_\_\_\_\_  
**(Print Name):**

c.c. *[Company]*

**The Chargors**

EXECUTED as a DEED  
by **RETIREMENT BRIDGE INVESTMENTS LIMITED**



Paul Barber

Director

Director

Tony Pierce

Address:

54 Portland Place  
London  
United Kingdom  
W1B 1DY

Attention:



Email



With copy to:

Patron Capital Advisers LLP  
One Vine Street  
London W1J 0AH

Attention:

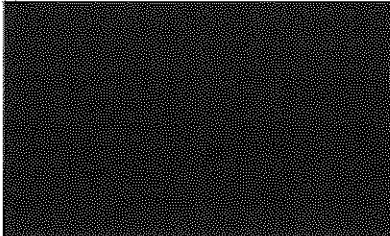


Email:



*[Signature Page to Subordinated Creditor Security Deed]*

**EXECUTED as a DEED  
by HAMSARD 2517 (NEW BUSINESS) LIMITED**



Paul Barber

Director

Director

Tony Pierce

Address:

Suite 4, First Floor, Honeycomb  
The Watermark  
Gateshead  
Tyne & Wear, NE11 9SZ

Attention:



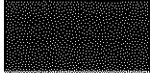
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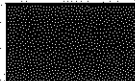
**The Security Trustee**

**DEUTSCHE BANK AG, LONDON BRANCH**

By:



By:



Address:

Winchester House  
1 Great Winchester Street  
London  
United Kingdom  
EC2N 2DB

Attention: Loan Agency, London

Email:



/



/



*[Signature Page to Subordinated Creditor Security Deed]*