



**Registration of a Charge**

Company name: **ANTHONY NICHOLAS (UK) LIMITED**

Company number: **06302848**



X37ZZ79C

Received for Electronic Filing: **16/05/2014**

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**Details of Charge**

Date of creation: **08/05/2014**

Charge code: **0630 2848 0004**

Persons entitled: **ALLIED IRISH BANKS, P.L.C. AS SECURITY TRUSTEE**

Brief description: **AS MORE PARTICULARLY DESCRIBED IN CLAUSE 3 OF THE DEBENTURE, FIXED AND FLOATING CHARGES OVER ALL THE ASSETS AND UNDERTAKING (PRESENT AND FUTURE) OF ANTHONY NICHOLAS (UK) LIMITED.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **PAUL CASTLE**



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

Company number: 6302848

Charge code: 0630 2848 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th May 2014 and created by ANTHONY NICHOLAS (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th May 2014 .

Given at Companies House, Cardiff on 16th May 2014

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

8 May

2014

- (1) Anthony Nicholas (UK) Limited
  - (2) Fred Hill (Glasgow) Limited
  - (3) Fraser Hart Limited
  - (4) Fred Hill Holdings Limited
  - (5) Fraser Hart Holdings Limited
  - (6) Allied Irish Banks, p.l.c. as security trustee
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## Composite Debenture

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in connection with a mezzanine facilities agreement

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This Deed is made on

8 May 2014

between:

- (1) Anthony Nicholas (UK) Limited, a company incorporated in England and Wales with company number 6302848 ("**Chargor 1**"); and
- (2) Fred Hill (Glasgow) Limited, a company incorporated in Scotland with company number SC021865 ("**Chargor 2**");
- (3) Fraser Hart Limited, a company incorporated in Scotland with company number SC018475 ("**Chargor 3**");
- (4) Fred Hill Holdings Limited, a company incorporated in Scotland with company number SC125880 ("**Chargor 4**");
- (5) Fraser Hart Holdings Limited, a company incorporated in Scotland with company number SC296802 ("**Chargor 5**"); and
- (6) Allied Irish Banks, p.l.c., in its capacity as Security Trustee for the Secured Parties.

## 1. **INTERPRETATION**

### 1.1 **Expressly defined terms**

In this Deed, the following words and phrases have the specified meanings.

**"Associated Rights"** means, in relation to any asset, all proceeds of sale of such asset, all rights, powers, benefits, covenants, warranties, guarantees or Security given or implied in respect of such asset, all rights under any agreement for sale, agreement for lease or licence of or in respect of such asset, and any monies and proceeds paid or payable in respect of such asset.

**"Charged Debts"** means all book and other debts and all other rights and claims charged to the Security Trustee pursuant to Clause 3.1.8.

**"Chargor"** means Chargor 1, Chargor 2, Chargor 3, Chargor 4 or Chargor 5.

**"COMI"** means centre of main interests (as that term is used in Article 3(1) of the EC Regulation).

**"Companies Act"** means the Companies Act 2006.

**"Consent Material Contracts"** means, in relation to Chargor 3, those contracts brief particulars of which are set out in Schedule 2 (*Consent Material Contracts*).

**"Delegate"** means any delegate, agent, attorney or trustee appointed by the Security Trustee.

**"Derivative Payment"** means, in relation to an asset, any damages, compensation, remuneration, profit, bonus, royalties, fee, rent, income or other benefit which the relevant Chargor may derive from or be awarded or entitled to in respect of such asset.

**"Designated Chattels"** means the plant, machinery, equipment, vehicles, and other chattels (if any) listed in respect of the Chargor in Schedule 5 (*Designated Chattels*) and shall include any additions, modifications and/or equipment ancillary to any such plant, machinery, equipment, vehicles or other chattels.

**"Discharge Date"** means the date with effect from which the Security Trustee confirms to the Chargors that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments of the Secured Parties cancelled.

**"Distribution Rights"** means all Dividends, all shares or other property derived from any relevant Investment (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise) and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to any relevant Investment.

**"Dividends"** means all dividends, distributions, interest and other income paid or payable on or derived from any relevant Investment.

**"EC Regulation"** means The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings.

**"Enforcement Party"** means any of the Security Trustee, a Receiver or a Delegate.

**"Establishment"** means, in relation to any Chargor, an establishment as that term is defined in relation to a debtor in Article 2 (h) of the EC Regulation.

**"Fixtures"** means any fixtures (but excluding landlord's fixtures), fittings, fixed plant or machinery from time to time situated on or forming part of any Property.

**"Floating Charge Assets"** means, at any time, all of the Secured Assets which are at that time the subject of any floating charge created by this Deed.

**"Insolvency Act"** means the Insolvency Act 1986.

**"Insurance Proceeds"** means the proceeds of any insurance claim received by any Chargor (after deduction of (a) any reasonable expenses incurred in relation to the relevant claim and payable by such Chargor to any person which is not a member of the Group and (b) amounts paid to meet third party claims), together with the benefit of all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of any Chargor's ownership of any Insurances and all such Chargor's interest in any of the foregoing.

**"Insurances"** means all contracts or policies of insurance of whatever nature which, from time to time, are taken out or maintained by or on behalf of any Chargor or (to the extent of its relevant interest) in which any Chargor has an interest.

**"Investment"** means, in respect of any Chargor, any negotiable instrument, certificate of deposit, debenture, share (including, save where the context otherwise requires, any of the Shares) or other investment (as specified for the purposes of section 22 of the Financial Services and Markets Act 2000 as at the date of this Deed) now or in the future owned by such Chargor, in each case whether held directly by, or to the order of, such Chargor or by any trustee, nominee, fiduciary or clearance system on behalf of such Chargor, and also including any rights in respect of such Investment against any such trustee, nominee, fiduciary or clearing system.

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

**"Mezzanine Facilities Agreement"** means a mezzanine facilities agreement dated on or around the date of this deed, made between, amongst others, (1) Fraser Hart Limited as original borrower, (2) the Chargors as original guarantors, (3) Errisbeg Limited as agent, (5) Allied Irish Banks, p.l.c. as security trustee and (6) Errisbeg Limited as original lender.

**"Occupational Lease"** means each lease, license, agreement for lease, licence and other agreement for the occupation, possession or use of all or any part or parts of the Property.

**"Party"** means an original party to this Deed.

**"Property"** means the Real Property from time to time owned by each Chargor or in which any Chargor has any right, title or interest. Any reference to **"Property"** also includes a reference to each separate part or parts of such Real Property.

**"Real Property"** means (a) any freehold, leasehold or immovable property, wherever situated, and (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property.

**"Receiver"** means any one or more receivers and managers or (if the Security Trustee so specifies in the relevant appointment) receivers appointed by the Security Trustee pursuant to this Deed in respect of any Chargor or in respect of the Secured Assets of any Chargor.

**"Rental Income"** means all amounts payable or paid to or for the benefit of any Chargor pursuant to, or in connection with or arising under any Occupational Lease and including, for the avoidance of doubt, all rents, licence fees, premiums, key monies and any interest payable in respect of any of the foregoing.

**"Secured Assets"** means the assets the subject of any Security created by this Deed.

**"Secured Obligations"** means all present and future obligations and liabilities of each Chargor to the Secured Parties (or any of them) to include, without limitation, all liabilities due and owing from time to time to the Secured Parties (or any of them) in respect of principal, interest (including any interest which has been rolled up or capitalised and default interest), break-costs, discount, commission, fees and expenses (including all costs and expenses of and incidental to the appointment of a Receiver and the exercise of all or any of his powers) and whether such liabilities are actual or contingent, whether owed solely or jointly with any other person, whether as principal or as surety or in any other capacity whatsoever and in any currency and on any current or other account, whether under any Finance Document or otherwise in any manner whatsoever and any reference to the **"Secured Obligations"** includes a reference to any of them.

**"Security Period"** means the period beginning on the date of this Deed and ending on the Discharge Date.

**"Security Trustee"** means Allied Irish Banks, p.l.c. acting in its capacity as trustee for the Secured Parties (including itself) in relation to the Security Documents for the purpose of and in accordance with the terms of the Mezzanine Facilities Agreement, or such other or additional trustee or trustees as may from



time to time be appointed in that capacity pursuant to Clause 26.17 (*Resignation of the Security Trustee*) of the Mezzanine Facilities Agreement.

**"Shares"** means (in relation to each Chargor) all shares (if any) specified in Schedule 4 (*Shares*) in respect of such Chargor and also all other stocks, shares, debentures, bonds, warrants, coupons or other securities now or in the future owned by such Chargor from time to time, or any in which it has an interest.

**"Specified Shares"** means in relation to the Chargor the Shares specified in Schedule 4 (*Shares*) opposite its name.

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

## 1.2 Definitions contained in Mezzanine Facilities Agreement

Unless a contrary indication appears each term used in this Deed which is defined in the Mezzanine Facilities Agreement shall have the same meaning as in the Mezzanine Facilities Agreement.

## 1.3 Construction

In this Deed:

1.3.1 unless a contrary indication appears, a reference to:

1.3.1.1 **"assets"** includes present and future properties, revenues, rights and interests of every kind and reference to an **"asset"** includes any part or parts of such asset;

1.3.1.2 **"guarantee"** includes any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to pay any deposit on behalf of, or make an investment in, or loan to, any person or to purchase assets of any person, where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

1.3.1.3 **"indebtedness"** includes any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.3.1.4 **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

1.3.1.5 **"regulation"** includes any regulation, rule, official directive, request or guideline (in each case, whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

1.3.1.6 **"set-off"** includes analogous rights and obligations in jurisdictions other than England and Wales; and

- 1.3.1.7 any "**Chargor**", the "**Security Trustee**" or any "**Party**" or "**Obligor**", or any of the "**Secured Parties**", shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- 1.3.2 where something (or a list of things) is introduced by the word "**including**", or by the phrase "**in particular**", or is followed by the phrase "**or otherwise**", the intention is to state an example (or examples) and not to be exhaustive (and the same applies when other similar words or phrases are used);
- 1.3.3 unless this Deed expressly states otherwise or the context requires otherwise, (a) each reference in this Deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this Deed) and (b) each reference in this Deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this Deed and whether amended or re-enacted since the date of this Deed);
- 1.3.4 each reference to this Deed (or to any other agreement, instrument or deed) means, at any time, this Deed (or as applicable such other agreement, instrument or deed) as amended, novated, supplemented, extended, or restated, at that time, provided that the relevant amendment, novation, supplement, extension, substitution or restatement does not breach any term of this Deed or of any of the Finance Documents;
- 1.3.5 the index and Clause and Schedule headings are for ease of reference only; and
- 1.3.6 an Event of Default is "**continuing**" if it has not been remedied or waived.

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

No person has any right under the Third Parties Act to enforce or enjoy the benefit of any term of this Deed, other than an Enforcement Party, which may do so, or any other person, to the extent that this Deed or any other of the Finance Documents expressly provides for it to do so. No consent of any person who is not a Party is required to rescind or vary this Deed at any time. This Clause 1.4 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act.

#### 1.5 **Incorporation of other terms**

- 1.5.1 The terms of the other Finance Documents under which the Secured Obligations arise and of any side letters between the Chargor and the Secured Parties or any of them relating to the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of the Secured Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5.2 Without prejudice to the operation of any applicable term of the Mezzanine Facilities Agreement or any other Finance Document, the provisions of Clauses 10.3 (*Default interest*), 29.9 (*Currency of account*) 29.10 (*Change of currency*) 32.1 (*Communications in writing*), 32.3 (*Delivery*), 32.6 (*Electronic communication*), 32.7 (*English language*), 33 (*Calculations and certificates*), 34 (*Partial Invalidity*), 35 (*Remedies and waivers*), 36.2 (*Required consents*), 36.3 (*Exceptions*) and 38 (*Counterparts*) of the Mezzanine Facilities Agreement shall apply (*mutatis mutandis*) to this Deed as if set out in this Deed in full and as if any reference in any such Clause to "this Agreement" were a reference to "this Deed".

## 1.6 **Intercreditor Agreement**

This Deed is subject to the terms of the Intercreditor Agreement.

## 2. **COVENANT TO PAY**

Each Chargor hereby unconditionally and irrevocably covenants jointly and severally with the other Chargors that it shall, following receipt of a demand in writing by the Security Trustee, pay when due and discharge and perform the Secured Obligations when obliged to do so under any agreement in writing between the relevant Chargor and the relevant Secured Party. In the absence of any formal agreement to the contrary, each Chargor acknowledges and confirms that any liabilities in respect the Secured Obligations shall be due and payable to the relevant Secured Party on demand.

## 3. **SECURITY**

### 3.1 **Fixed charges**

Each Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations, charges in favour of the Security Trustee the following assets:

3.1.1 **First legal mortgage on specified Property** - by way of first legal mortgage, all its Property (if any) identified in Schedule 3 (*Details of Property*);

3.1.2 **First fixed charges in respect of other Property** - by way of first fixed charge, (a) all the Property from time to time owned by it (but excluding any Property which is subject to a valid legal mortgage under Clause 3.1.1), (b) any other rights, title or interest of such Chargor in Property, wherever situated, and (c) all Associated Rights in relation to its Property;

3.1.3 **First fixed charges in respect of Designated Chattels** - by way of first fixed charge, (a) the Designated Chattels (if any) in respect of such Chargor (but not including any of the assets which are subject to a valid legal mortgage or valid fixed charge under Clauses 3.1.1 or 3.1.2), and (b) all Associated Rights in relation to such Designated Chattels;

3.1.4 **First fixed charges in respect of other chattels** - by way of first fixed charge (a) all plant, machinery, vehicles and computer equipment now or in the future owned by it (but not including any such asset which is subject to a valid legal mortgage or valid fixed charge under

Clauses 3.1.1, 3.1.2 or 3.1.3 nor any chattel for the time being forming part of such Chargor's stock-in-trade or work in progress), (b) its rights, title or interest in any chattel now or in the future in its possession which is not owned by it, but which had it been so owned would have been validly charged by paragraph (a) of this Clause 3.1.4 and (c) the benefit of all Associated Rights relating to any chattel validly charged by this Clause 3.1.4;

- 3.1.5 **First fixed charge on specified Shares** - by way of first fixed charge, (a) the Shares (if any) listed in respect of such Chargor in Schedule 4 (*Shares*) and (b) the Distribution Rights (if any) from time to time accruing to or on such Shares;
- 3.1.6 **First fixed charge on Investments** - by way of first fixed charge, (a) all Investments (but not including Shares which are subject to a valid fixed charge under Clause 3.1.5) and (b) all Distribution Rights from time to time accruing to or on such Investments;
- 3.1.7 **First fixed charges in respect of Insurances** - to the extent that the Insurances and/or the Insurance Proceeds are incapable for any reason of being effectively assigned pursuant to Clause 3.2.3 but are capable of being effectively charged, by way of first fixed charge, the Insurances owned by or written in favour of such Chargor and all Insurance Proceeds either now or in the future held by or payable to such Chargor or in which such Chargor otherwise has an interest (to the extent of such interest);
- 3.1.8 **First fixed charges in respect of Rental Income** - by way of first fixed charge, all present and future rights, title and interest of such Chargor in and to the Occupational Leases, the Rental Income (and the benefit of any guarantee given in connection therewith) and any other present and future lease or licence of the Property and any rights or benefits deriving therefrom (save which are the subject of an effective assignment under Clause 3.2);
- 3.1.9 **First fixed charge on Intellectual Property** - to the extent that such Intellectual Property is incapable for any reason of being effectively assigned pursuant to Clause 3.2.4, by way of first fixed charge, all Intellectual Property (if any) owned by such Chargor or in which such Chargor has an interest (to the extent of such interest) , including the Intellectual Property owned by such Chargor identified in Schedule 8 (*Intellectual Property*);;
- 3.1.10 **First fixed charges in respect of Authorisations** - to the extent that such Authorisations and Derivative Payments are incapable for any reason of being effectively assigned pursuant to Clauses 3.2.1 or 3.2.5 respectively but are capable of being effectively charged, by way of first fixed charge, (a) the benefit of all Authorisations held or utilised by such Chargor in connection with its business or the use of any of its assets and (b) the right to recover and receive all Derivative Payments which may at any time become payable to such Chargor in respect of such Authorisations;
- 3.1.11 **First fixed charge on goodwill and uncalled capital** - by way of first fixed charge, all the goodwill and uncalled capital of such Chargor; and

- 3.1.12 **First fixed charge on other Associated Rights** - by way of first fixed charge, the benefit of all Associated Rights relating to any of the assets of such Chargor, in each case to the extent that such Associated Rights are capable of being made the subject of a fixed charge and are not otherwise the subject of any valid fixed charge pursuant to this Deed.

### 3.2 **Assignments by way of security**

As further continuing security for the payment of the Secured Obligations, each Chargor assigns absolutely to the Security Trustee all (if any) its right, title and interest in and to the following assets:

- 3.2.1 **Authorisations** - all Authorisations held or utilised by such Chargor in connection with its business or the use of any of its assets and the benefit of any Derivative Payment in respect of such Authorisations;
- 3.2.2 **Rental Income** - all present and future rights, title and interest of such Chargor in and to the Occupational Leases, the Rental Income (and the benefit of any guarantee given in connection therewith) and any other present and future lease or licence of the Property and any rights or benefits deriving therefrom;
- 3.2.3 **Insurances and Insurance Proceeds** - the Insurances and the benefit of all Insurance Proceeds of such Chargor;
- 3.2.4 **Intellectual Property** - the Intellectual Property (if any) owned by such Chargor or in which such Chargor has an interest (to the extent of such interest), together with the benefit of any Derivative Payments in respect of such Intellectual Property, but in the case of any such assignment of Intellectual Property the Security Trustee shall grant to such Chargor a licence to use such Intellectual Property in the ordinary course of its business and for so long as no Event of Default exists and is continuing; and
- 3.2.5 **Associated Rights and Derivative Payments** - any Associated Rights or Derivative Payment which are not the subject of a valid fixed charge pursuant to Clause 3.1 (*Fixed charges*) of this Deed or valid assignment pursuant to Clauses 3.2.1 to 3.2.4 and which relate to any of the assets of such Chargor, whether or not such assets are subject to a valid legal mortgage, fixed charge or assignment pursuant to this Deed.

### 3.3 **Notice of charge or assignment**

Each Chargor hereby covenants with the Security Trustee that it shall:

- 3.3.1 immediately upon execution of this Deed, in respect of each Consent Material Contract, execute and deliver to the Security Trustee a notice of assignment (the "**Notices**") in the form set out in Part 2 of Schedule 6 (*Notices*) and the Chargors hereby agree that after the Security created by this Deed has become enforceable in accordance with Clause 8 (*Enforceability*) of this Deed, the Notices may be delivered to each of the other parties to the relevant Consent Material Contract and that the Chargors shall, at the time the relevant Notices are delivered, use all reasonable endeavours to procure that such other party delivers a letter of acknowledgement to the Security Trustee in the form set out

in Part 2 of Schedule 6 (*Notices*). The Security Trustee confirms and agrees that the Notices shall not be delivered until the Security created by this Deed becomes enforceable in accordance with Clause 8 (*Enforceability*) of this Deed; and

- 3.3.2 immediately upon execution of this Deed (or, if later, as soon as possible after the Chargor enters into a policy of Insurance), deliver, to each insurance company which has issued a policy of Insurance, a duly completed notice of assignment in the form set out in Part 1 of Schedule 6 (*Notices*) and shall use all reasonable endeavours to procure that each such insurance company executes and delivers to the Security Trustee an acknowledgement, in the form set out in Part 1 of Schedule 6 (*Notices*) (or in each case, in such other form as the Security Trustee shall agree).

### **3.4 Exercise of rights under Consent Material Contracts**

- 3.4.1 Whilst no Event of Default exists and is continuing, the Security Trustee shall permit the relevant Chargor to exercise its rights under any of the Consent Material Contracts to which it is party, provided that the exercise of those rights in the manner proposed would not result in an Event of Default.
- 3.4.2 Where an Event of Default exists and is continuing, the relevant Chargor shall, if requested by the Security Trustee, exercise its rights under the Consent Material Contracts only in accordance with the instructions of the Security Trustee.

### **3.5 Floating charge**

- 3.5.1 As further continuing security for the payment, discharge and performance to the Security Trustee of the Secured Obligations, each Chargor charges in favour of the Security Trustee, by way of first floating charge, all its assets and undertaking, wherever located, both present and future.
- 3.5.2 The floating charge created by Clause 3.5.1 is deferred, in relation to each Chargor, in point of priority to all fixed Security validly and effectively created by such Chargor under any of the Security Documents in favour of the Security Trustee as security for the Secured Obligations.

### **3.6 Conversion of floating charge**

- 3.6.1 Subject to Clause 3.9.4, the Security Trustee may, at any time, by notice in writing to any Chargor, convert any floating charge created by this Deed into a fixed charge as regards such assets as it shall specify in the relevant notice if:
- 3.6.1.1 after the Security created by this Deed has become enforceable in accordance with the provisions of Clause 8 (*Enforceability*);
- 3.6.1.2 if any of the Chargors fails to comply or takes or threatens to take any action which in the reasonable opinion of the Security Trustee acting in good faith is likely to result in such Chargor failing to comply with its obligations under

Clause 21.14 (*Negative pledge*) of the Mezzanine Facilities Agreement;

3.6.1.3 if the Security Trustee, acting reasonably, considers that any of the Secured Assets, with an aggregate value in excess of £200,000, are in danger of being seized or sold as a result of any legal process or are otherwise in jeopardy; or

3.6.1.4 if the Security Trustee, acting reasonably, considers that steps are being taken or have been taken which are likely or intended to lead to the appointment of an administrator, receiver or administrative receiver in relation to such Chargor (or such administrator, receiver or administrative receiver has been appointed) or to the winding-up of such Chargor.

3.6.2 By way of further assurance, such Chargor shall, promptly following service of such notice upon it, execute a fixed charge over such assets in such form as the Security Trustee shall require.

### **3.7 Automatic conversion of floating charge**

Subject to Clause 3.9.4, in addition to any circumstances in which any floating charge created under this Deed will crystallise automatically under the general law, and without prejudice to the operation of Clause 3.6 (*Conversion of floating charge*):

3.7.1 if any of the Secured Assets shall, without the prior written consent of the Security Trustee, become subject to Security in favour of any person other than the Security Trustee or, otherwise than as agreed with the Security Trustee or otherwise than as may be expressly permitted under the Senior Facility Agreement, any Chargor agrees to sell or otherwise dispose of all or a substantial part of its business or assets;

3.7.2 if any person shall levy, or attempt to levy, any distress, diligence, execution, sequestration or other similar process in respect of any of the Secured Assets with an aggregate value in excess of £200,000 and is not discharged within 7 days;

3.7.3 if a receiver is appointed over any of the Secured Assets by any holder of any other Security (whether ranking in priority to or *pari passu* with or after the floating charge in Clause 3.5 (*Floating Charge*)) or a petition is presented for the appointment of a liquidator, receiver, administrative receiver, administrator or other analogous insolvency official to, or the protection of the court is sought by, the Chargors where such petition is not frivolous or vexatious and is discharged, stayed or dismissed within ten (10) Business Days of commencement or, if earlier, the date on which it is advertised;

3.7.4 if any of the Trading Chargors ceases to carry on all or a material part of its business without the prior written consent of the Security Trustee; or

3.7.5 if any meeting of the members of any of the Chargors is convened to pass a resolution for its winding-up or liquidation or to put such

Chargor into receivership or administration or with a view to entering into a composition, assignment or arrangement with its creditors generally (or any class of its creditor), or any meeting is convened for the purposes of considering any event similar or analogous to the foregoing in each case without the prior written consent of the Security Trustee,

then and in any such event, any floating charge created by this Deed in relation to the Chargor shall, without any notice being given under Clause 3.6 (*Conversion of floating charge*) and immediately upon such event occurring, be converted into a fixed charge over all the assets which immediately prior to such conversion comprised the Floating Charge Assets of the Chargor.

### **3.8 Continuing security**

The provisions of this Deed will apply at all times (a) regardless of the date on which any of the Secured Obligations was incurred and (b) in respect of the full amount of the Secured Obligations at the relevant time even if, at some other time, the amount of the Secured Obligations has been less than the amount at the relevant time or there has been no part of the Secured Obligations outstanding.

### **3.9 Miscellaneous**

- 3.9.1 All the Security created by this Deed by the Chargor is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 or in the case of assets situated in Scotland, with absolute warrandice.
- 3.9.2 Clauses 3.1.2 to 3.1.12 inclusive shall be read and construed as if each asset described, and each asset comprised within any category of asset described, in each such Clause were expressed, separately and specifically, to have been made subject to a first fixed charge; and the validity and effectiveness of each such fixed charge will not be prejudiced by any other such first fixed charge being found not to be fully valid or effective as such.
- 3.9.3 The fact that no, or incomplete, details of any particular Secured Assets are included or inserted in any relevant Schedule shall not affect the validity or enforceability of the charges created by this Deed.
- 3.9.4 Clauses 3.6 (*Conversion of floating charge*) and 3.7 (*Automatic conversion of floating charge*) will not apply to any Secured Assets situated in Scotland or governed by Scots law save to the extent permitted by Scots law.

## **4. FURTHER ASSURANCE**

Each Chargor shall:

- 4.1 promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s) (a) to perfect the Security created or intended to be created or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed; (b) to confer on the Security Trustee or



the Secured Parties Security over any property or assets of such Chargor located in England and Wales or any other jurisdiction equivalent or similar to the Security intended to be created, or expressed to be created, by this Deed; and/or (c) to facilitate the realisation of the assets which are, or are intended to be, the subject of this Deed; and

- 4.2 take all such action as is available to it (including making all filings and registrations and the payment of all fees and Taxes) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee by or pursuant to this Deed.

## 5. **NEGATIVE PLEDGE**

- 5.1 During the Security Period, no Chargor shall create, extend, or permit to subsist, any Security over any of the Secured Assets; nor may it (a) sell, transfer or otherwise dispose of any of its assets on terms that they are or may be leased to or re-acquired by any of the Obligors or by any other member of the Group, (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms, (c) enter into any arrangement under which money, debts or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or (d) enter into any other preferential arrangement having a similar effect to any of the arrangements or transactions previously described in this Clause 5.1, in any case in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

- 5.2 Clause 5.1 does not apply to any Security which is Permitted Security or as otherwise permitted by the Mezzanine Facilities Agreement.

## 6. **REPRESENTATIONS AND WARRANTIES**

- 6.1 In addition to any representations and warranties made by each Chargor under the Mezzanine Facilities Agreement, each Chargor further represents and warrants as follows:

6.1.1 **Commercial benefit** - It enters into this Deed in good faith and for the purposes of the promotion of the success of its business and has given due consideration to the terms and conditions of the documents evidencing the Secured Obligations and of this Deed and has satisfied itself that there are reasonable grounds for believing that by executing this Deed it will derive commercial benefit.

### 6.1.2 **Matters affecting Shares -**

6.1.2.1 It is and will (save as otherwise permitted by the Mezzanine Facilities Agreement) remain the sole beneficial owner of the Specified Shares and of any other Shares acquired by it, or in which it has acquired a beneficial interest, after the date of this Deed.

6.1.2.2 It has not nominated another person or persons to enjoy or exercise all or any of its rights as the registered holder of the Specified Shares and (save where the Specified Shares have been registered in the name of the Security Trustee or its nominee pursuant to the provisions of this Deed and save as otherwise agreed by the Security

Trustee or permitted by the Mezzanine Facilities Agreement) it is and will remain the absolute legal owner of the Specified Shares.

6.1.2.3 Neither the Shares nor the Distribution Rights attributable to the Shares are subject to any lien, charge, equity, encumbrance, option to purchase or similar rights of any person, other than a Permitted Security or as otherwise permitted by the Mezzanine Facilities Agreement.

6.1.2.4 The Security Trustee is entitled to be registered or to require a nominee to be registered as a member of each of the relevant companies to which such Shares relate without any right of the board of directors of any such company to refuse registration or to consent to such registration only subject to satisfaction of conditions.

6.2 Each of the representations and warranties set out in Clause 6.1 (other than those at Clauses 6.1.1 (*Commercial benefit*) and 6.1.2.1 which are not repeated) shall be deemed to be repeated on each day during the Security Period on which representations and warranties set out in Clause 19 (*Representations*) of the Mezzanine Facilities Agreement are, or are deemed to be, made or repeated.

## 7. UNDERTAKINGS

In addition to the undertakings and covenants given by each Chargor under the Mezzanine Facilities Agreement, each Chargor also undertakes to the Security Trustee in the terms of the following provisions of this Clause 7:

7.1 **Perform** - It will at all times comply with the terms (express or implied) of this Deed and of all other Finance Documents.

7.2 **Not jeopardise Security** - It will not (and, without prejudice to Clause 7.6.3, will procure that no nominee will) do or omit to do anything, or allow anything to be done or omitted, the result of which may be in any way to depreciate, jeopardise or otherwise prejudice the value to the Security Trustee of the Security created by this Deed or the priority of its ranking as expressed in this Deed or in the Intercreditor Agreement.

7.3 **Maintenance** - It will keep the Property and other Secured Assets in a good and substantial state of repair, working order and condition (fair wear and tear excepted).

7.4 **Insurance** -

It will (a) obtain, maintain and renew (all at its own expense) insurance, indemnity or similar cover with reputable, independent, insurance companies or underwriters and (b) promptly pay all premiums and other sums necessary to effect and maintain the Insurances required by the Mezzanine Facilities Agreement and this Deed and will, on demand, produce to the Security Trustee such Insurances and evidence that such premiums and other sums have been paid.

7.5 **Land Registry** -

7.5.1 In relation to all present and future registered Property (and any unregistered Property subject to compulsory first registration at the

date of this Deed), it will apply to the Land Registrar to enter on the register against the title number of or to be allocated to the relevant Property a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*date of this Deed*] in favour of Allied Irish Banks, p.l.c. referred to in the charges register, or its conveyancer"

and, where applicable, notice of an obligation to make further advances.

7.5.2 It shall submit the relevant applications no later than the date of submission of the initial application for registration of the Security created by this Deed (or, in the case of The Land Registry form CH2, where applicable, promptly following its later receipt of such form duly completed by the Security Trustee), and pay all fees, costs and expenses incurred in connection with the applications.

7.5.3 The Security Trustee, in its absolute discretion, may make any of the applications referred to in this Clause 7.5 in place of such Chargor. In such a case, such Chargor consents to the entry of the relevant restriction and will pay all fees, costs and expenses incurred in connection with the application.

## **7.6 Shares and other Investments -**

7.6.1 It will pay all calls or other payments due and payable in respect of any of the Shares and if it fails to do so the Security Trustee may pay the calls or other payments on its behalf.

7.6.2 Save with the prior written consent of the Security Trustee or as otherwise permitted by the Mezzanine Facilities Agreement, it will not (a) take any action by or as a consequence of which the rights attaching to the Shares are altered or diluted or the issued capital of any of the companies whose Shares are charged by this Deed is increased, nor (b) participate in any rights issue relating to the Shares, nor (c) apply for, or consent to, the conversion of any Shares held in certificated form into uncertificated form.

7.6.3 Except where the Security Trustee requires it to do so or as otherwise permitted by the Mezzanine Facilities Agreement, it will not nominate another person or persons to enjoy or exercise all or any of its rights as the registered holder of the Shares.

7.6.4 If the Security Trustee requires it to do so, it will take all steps within its power to procure that any of the companies to which the Shares relate will make such changes to its respective articles of association as may be necessary, pursuant to section 145 of the Companies Act 2006, to permit it to nominate the Security Trustee or a nominee of the Security Trustee to exercise or enjoy all or any of the Chargor's rights as a registered holder of the Shares of such company.

7.6.5 In respect of the Specified Shares which are held within CREST or otherwise in uncertificated form, and any further Shares in uncertificated form which it subsequently acquires, it will provide such

information, give such instructions and enter into such documents as the Security Trustee may reasonably require to perfect the Security created by this Deed over such Shares.

- 7.6.6 Immediately following the execution of this Deed it will deliver to the Security Trustee (or as it shall direct) all bearer instruments, share certificates and other documents of title to or evidence of ownership of the Investments and/or the Distribution Rights owned by it or in which it has an interest together with (in the case of Shares, other than bearer instruments, held in certificated form) instruments of transfer in respect of each of the Shares executed in blank (except for the number and class of Shares and the name of the transferor) and left undated.
- 7.6.7 If it acquires Investments, whether pursuant to its Distribution Rights or for any other reason, after the date of this Deed, the provisions of Clause 7.6.2 and the remaining provisions of this Clause 7.6 shall apply to such Investments.
- 7.6.8 The Security Trustee may, at any time whilst an Event of Default is continuing, complete the instruments of transfer on behalf of such Chargor in favour of itself or such other person as it shall select, and such Chargor shall procure that such instruments of transfer are immediately registered in the statutory registers of the relevant company and that share certificates in the name of the Security Trustee and/or its nominee(s) in respect of the Shares to which such instrument of transfer relates are delivered to the Security Trustee as soon as reasonably practicable, but in any event no later than 5 days after the date upon which the Security Trustee has delivered the relevant instrument of transfer.
- 7.6.9 Until the occurrence of an Event of Default, but not after such occurrence while such Event of Default is continuing, the Chargor will be entitled to receive and retain all Dividends and will be entitled to exercise all voting and other rights and powers attaching to the Shares, provided that it will not exercise any such voting rights or powers in a manner which would prejudice the value of, or the ability of the Security Trustee to realise, the Security created by this Deed.
- 7.6.10 Throughout the period following the occurrence of an Event of Default and while it is continuing (the "**default period**"), any Dividends will be received by such Chargor on trust for the Security Trustee and paid into a separate account or otherwise dealt with as directed by the Security Trustee, and such Chargor shall, if the Security Trustee so requires, during the default period, exercise all voting and other rights and powers attaching to the Shares as the Security Trustee shall direct.
- 7.6.11 At any time when any Investments are registered in the name of the Security Trustee or its nominee:
  - 7.6.11.1 for so long as there is no Event of Default which is continuing, the Security Trustee will (so far as is consistent with the Security created by this Deed) exercise any applicable voting or other rights and powers in accordance with the directions of such Chargor and account to such Chargor for any Dividends; but

7.6.11.2 upon the occurrence of an Event of Default and while it is continuing the Security Trustee may exercise or refrain from exercising such voting or other rights and powers as it thinks fit and may retain any Dividends, but in any case the Security Trustee will not be under any duty to ensure that any Dividends are duly and promptly paid or received by it or its nominee, nor to verify that the correct amounts are paid or received by it or its nominee, nor to take any action in connection with the taking up of any Distribution Rights in respect of or in substitution for, any of those Investments.

- 7.7 **Access** - In addition to the requirements of Clause 22.26 (Access) of the Mezzanine Facilities Agreement, it will (at the risk and cost of such Chargor) permit the Security Trustee and its professional advisers, agents and contractors and, where required by the Security Trustee, independent valuers free access at all reasonable times and on reasonable notice and for all reasonable purposes (including carrying out physical inspections, valuations and/or the preparation or making of inventories and/or schedules and/or other records or copies) (a) to the premises, assets, books, accounts and records of such Chargor and (b) to meet and discuss matters with senior management and will provide and will procure that any occupiers of such premises and senior management provide all reasonable assistance to the Security Trustee and such other persons in connection with the access obligations imposed by this Clause 7.7.
- 7.8 **Centre of main interests** - It will not move its COMI, nor have any Establishment, outside of the United Kingdom.
- 7.9 **Deposit of documents** - It will promptly at the Security Trustee's request deposit with the Security Trustee (or as the Security Trustee directs) (a) all deeds and documents of title relating to the Property, including counterpart leases, licences and any other deeds or documents necessary or desirable to assist the Security Trustee to enforce the Security created by this Deed, (b) all policies of insurance in respect of which the proceeds of any claims are assigned or charged pursuant to this Deed and (c) all such other documents relating to the Secured Assets as the Security Trustee may from time to time reasonably require.
- 7.10 **Retention of documents** - The Security Trustee may retain any document delivered to it pursuant to Clause 7.9 (*Deposit of documents*) or otherwise until the Discharge Date and if, for any reason, the Security Trustee ceases to hold any such document before such time, the Security Trustee may, by notice to such Chargor, require that the relevant document be redelivered to it and such Chargor shall immediately comply (or procure compliance) with such notice.
- 7.11 **Power to remedy** - If such Chargor fails to comply with any of the covenants and undertakings set out or referred to in Clauses 7.1 (*Perform*) to 7.10 (*Retention of documents*) inclusive and the Security Trustee has given notice to the Chargor of the same, it will allow (and irrevocably authorises) the Security Trustee and/or such persons as the Security Trustee nominates to take on behalf of the Chargor such action (including the making of payments) as is necessary to protect any relevant assets against the consequences of such failure to comply and/or to ensure compliance with such covenants and undertakings provided that following receipt of notice from the Security Trustee such Chargor has failed to take the same action.

- 7.12 **Indemnity** - It will indemnify the Security Trustee and will keep the Security Trustee indemnified against all costs, Taxes, losses and liabilities incurred by the Security Trustee as a result of any default by such Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed and in connection with the exercise by the Security Trustee of its rights contained in Clauses 7.6.1 and 7.11 (*Power to remedy*). All sums the subject of this indemnity will be payable by such Chargor to the Security Trustee within three Business Days of a demand.

## 8. **ENFORCEABILITY**

For the purposes of all powers implied by the LPA or any other applicable legislation, the Secured Obligations shall be deemed to have become due and payable and this Deed will become immediately enforceable and the powers of the Security Trustee and any Receiver will become exercisable on the date of this Deed, but, as between the Security Trustee and each Chargor, the power of the Security Trustee to enforce the Security created by this Deed shall be exercisable only upon the occurrence of an Event of Default and for so long as it is continuing (unless there has been a request from such Chargor to the Security Trustee for the appointment of a Receiver, in which case it will be exercisable at any time following the making of such request).

## 9. **ENFORCEMENT OF SECURITY**

- 9.1 At any time after the Security Trustee's power of sale has become exercisable, the Security Trustee may, without further notice, (a) appoint one or more than one person to be Receiver in respect of the Secured Assets or any of them and, if more than one person is appointed as Receiver, such appointees may act jointly and severally or individually, (b) take possession of the Secured Assets, and/or (c) in its absolute discretion enforce all or any part of the Security created by this Deed in such other lawful manner as it thinks fit. The Security Trustee may remove any person from appointment as Receiver and may appoint another person as Receiver. The Security Trustee may also appoint an additional Receiver.
- 9.2 The Receiver will, so far as the law permits, be the agent of each Chargor in respect of which the Receiver is appointed and each such Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Security Trustee will not be responsible for any misconduct, negligence or default of the Receiver. The powers of the Receiver will continue in full force and effect following any liquidation of the relevant Chargor.
- 9.3 The remuneration of the Receiver may be fixed by the Security Trustee but will be payable by the relevant Chargor. The amount of the remuneration will form part of the Secured Obligations.
- 9.4 The Receiver will have the power, on behalf and at the cost of each Chargor in respect of which the Receiver is appointed, (a) to do or omit to do anything which he considers appropriate in relation to the Secured Assets and (b) to exercise all or any of the powers conferred on the Receiver or the Security Trustee under this Deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision) but so that if there is any ambiguity or conflict between the powers contained in such legislation and those contained in this Deed, those contained in this Deed shall prevail.

- 9.5 Without prejudice to the general powers set out in Clause 9.4, a Receiver will also have the powers and discretions set out in Schedule 7 (*Receiver's specific powers*).
- 9.6 The Security Trustee or any Receiver may sever any Fixtures from the Property and sell them apart from the Property without taking possession of the Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Obligations.
- 9.7 If the Security Trustee or the Receiver obtains possession of the Property, the Security Trustee or the Receiver may use and remove, store or sell any chattels on the Property, whether or not forming part of the Secured Assets, without being under any liability to any Chargor other than to account for their net proceeds of the sale. All costs, losses and liabilities incurred by the Security Trustee or the Receiver in connection with the removal, storage and sale of such chattels will form part of the Secured Obligations.
- 9.8 If (notwithstanding any representation or warranty to the contrary contained in this Deed) there shall be any Security affecting the Secured Assets or any of them which ranks in priority to the Security created by this Deed and the holder of such prior Security takes any steps to enforce such Security, the Security Trustee or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such Security.
- 9.9 The Security Trustee may, at any time after this Deed has become enforceable pursuant to Clause 8 (*Enforceability*), exercise, to the fullest extent permitted by law, all or any of the powers, authorities and discretions conferred on a Receiver by this Deed, whether as attorney of any Chargor or otherwise and whether or not a Receiver has been appointed.
- 9.10 The Security Trustee may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on a Receiver by this Deed.
- 9.11 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charges created under this Deed.

## 10. PAYMENTS, ACCOUNTS AND APPLICATION OF PROCEEDS

- 10.1 **Right of appropriation** - Subject to the provisions of Clause 10.7 (*Recoveries by Receiver*), the Security Trustee is entitled to appropriate money and/or assets to the Secured Obligations in such manner or order as it thinks fit and any such appropriation shall override any appropriation by any Chargor.
- 10.2 **Security Trustee's rights of set-off** - The Security Trustee may, at any time after this Deed has become enforceable, and without notice (a) combine or consolidate all or any of a Chargor's then existing accounts with, and liabilities to, the Security Trustee, (b) set-off or transfer any sums standing to the credit of any one or more of such accounts, and/or (c) set-off any other obligation owed by the Security Trustee to any such Chargor (whether or not matured at such time), in or towards satisfaction of any of the Secured Obligations; and if any amount is in a different currency from the amount against which it is to be set-off, the Security Trustee may convert either amount (or both) at any reasonable time and at any reasonable rate. The Security Trustee shall notify the Chargor in writing that any such transaction has taken place.

- 10.3 **Suspense Account** - The Security Trustee may, at any time, credit to a suspense account any money received by it under this Deed, to be held for so long as and on such terms as the Security Trustee may determine pending its application towards discharging the Secured Obligations.
- 10.4 **New account** - If the Security Trustee receives notice of a subsequent mortgage or charge relating to the Secured Assets, it will be entitled to close any account and to open a new account in respect of the closed account. If the Security Trustee does not open such new account, it will in any event be treated as if it had done so at the time when it received such notice.
- 10.5 **Time deposit** - Without prejudice to the provisions of Clause 10.2 (*Security Trustee's rights of set-off*), if at any time the Chargor has made a deposit with the Security Trustee on terms that it will be repaid on a specified date (a "**Time Deposit**") then: (a) if the Security Trustee has made any demand under Clause 2 (*Covenant to pay*), it may vary the terms of such Time Deposit so that it becomes repayable immediately or on any other date before such specified date; or (b) if an Event of Default has arisen which is continuing but no amount of Secured Obligations has fallen due before such specified date, the Security Trustee may renew such Time Deposit for such further maturity as the Security Trustee in its absolute discretion determines.
- 10.6 **Calculations** - The Security Trustee's calculation of any amount payable by any Chargor under this Deed at any time will be conclusive (unless it has made an obvious mistake).
- 10.7 **Recoveries by Receiver** - The proceeds arising from the exercise of the powers of the Receiver will, subject to any claims ranking in priority to the Secured Obligations, be applied by or at the direction of the Receiver in or towards discharging or satisfying the following amounts in the following order of priority: (a) the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration; (b) any costs, charges, expenses and liabilities of or incurred by any Enforcement Party in the exercise of any of its powers including all rents, Taxes, rates and outgoings whatever affecting the Secured Assets, all premiums on Insurances properly payable under this Deed or any applicable legislation, the cost of executing necessary or proper repairs to the Secured Assets, and the payment of annual sums or other payments, and the interest on all principal sums, having priority to the Secured Obligations; (c) the remaining Secured Obligations, in accordance with the provisions of the Finance Documents; and (d) the claims of those persons entitled to any surplus.
- 10.8 **Tax gross-up** - The provisions of Clause 14.2 (*Tax gross-up*) of the Mezzanine Facilities Agreement shall apply to any payments made by the Chargor under or pursuant to this Deed.
- 10.9 **Currency of payment** - No payment to the Security Trustee (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of any Chargor in respect of which it was made unless and until the Security Trustee shall have received payment in full in the relevant currency specified in Clause 29.9 (*Currency of account*) of the Mezzanine Facilities Agreement. To the extent that the amount of any such payment shall, on actual conversion into such currency, fall short of such obligation or liability expressed in that currency, the Security Trustee shall have a further separate cause of action against such Chargor and shall be entitled to enforce the Security created by this Deed to recover the amount of the shortfall.



10.10 **Currency conversion** - All money received or held by the Security Trustee or any Receiver under this Deed may be converted into such other currency as the Security Trustee considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Trustee's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

## 11. **PROTECTION OF THIRD PARTIES**

11.1 **No duty to enquire** - A buyer from, or other person dealing with, any Enforcement Party will not be concerned to enquire whether any of the powers which such Enforcement Party has exercised or purported to exercise has arisen or become exercisable and may assume that it is acting in accordance with this Deed.

11.2 **Receipt conclusive** - The receipt of the Security Trustee or any Receiver shall be an absolute and conclusive discharge to a purchaser of the Secured Assets and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or any Receiver.

## 12. **PROTECTION OF SECURITY TRUSTEE**

12.1 **Security Trustee's receipts** - The Security Trustee shall not be obliged to account to any Chargor, nor to any other person, for anything other than its own actual receipts which have not been distributed or paid to the person entitled (or whom the Security Trustee, acting reasonably, believes to be entitled) in accordance with the requirements of this Deed.

### 12.2 **Exclusion of liability** -

12.2.1 No Enforcement Party will be liable to any Chargor for any expense, loss, liability or damage incurred by such Chargor arising out of the exercise by such Enforcement Party of its rights or powers or any attempt or failure to exercise those rights or powers, except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.

12.2.2 No Chargor may take any proceedings against any officer, employee or agent of any Enforcement Party in respect of any claim it might have against such Enforcement Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed.

12.2.3 Any officer, employee or agent of any Enforcement Party may rely on this Clause 12 under the Third Parties Act.

12.3 **Effect of possession** - If the Security Trustee or any Receiver enters into possession of the Secured Assets or any of them, this will not oblige either the Security Trustee or the Receiver to account as mortgagee in possession, or heritable creditor in possession, and if at any time the Security Trustee enters into possession of the Secured Assets or any of them it may at any time at its discretion go out of such possession.

12.4 **Chargors' indemnity** - Each Chargor agrees with the Security Trustee to indemnify the Security Trustee and any Receiver or Delegate within three Business Days of a demand against any costs, Taxes, losses, liabilities or damage incurred by any of them in respect of (a) the taking, holding, protection or enforcement of the Security created by this Deed, (b) any exercise of the

rights, powers, discretions or remedies of, or vested in, any Enforcement Party or any attempt or failure to exercise those rights, powers, discretions or remedies and (c) anything done or omitted to be done in the exercise or purported exercise of the powers under this Deed or under any appointment duly made under the provisions of this Deed.

**13. POWER OF ATTORNEY**

- 13.1 Each Chargor irrevocably and by way of security appoints, with effect from the Security created by this Deed becoming enforceable in accordance with Clause 8 (*Enforceability*), the Security Trustee and each Receiver and any person nominated for the purpose by the Security Trustee or the Receiver (other than a Restricted Transferee) (in writing, under hand, signed by an officer of the Security Trustee or by the Receiver) severally to be the attorney of such Chargor (with full power of substitution and delegation) for the purposes set out in Clause 13.2.
- 13.2 The power of attorney granted in Clause 13.1 allows the Security Trustee, the Receiver or the relevant nominee, in the name of the relevant Chargor, on its behalf, as its act and deed and at its expense to perfect the Security created by such Chargor under this Deed and to execute and deliver (using such Chargor's seal where appropriate) any document or do any act or thing which the Chargor may, ought or has agreed to execute or do under this Deed or which the attorney may in its absolute discretion consider appropriate in connection with the exercise of any of the rights, powers, authorities or discretions of the Security Trustee or the Receiver under, or otherwise for the purposes of, this Deed.
- 13.3 Each Chargor covenants with the Security Trustee to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this Clause 13.

**14. APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS**

- 14.1 The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind a Chargor only if, in any case, the relevant covenant imposes upon such Chargor a burden, liability or obligation that would not otherwise arise under this Deed.
- 14.2 For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of Clause 8 (*Enforceability*)), the conditions set out in that section, as to when the powers conferred on a mortgagee by that section arise, do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this Deed. The Security Trustee and any Receiver may exercise the statutory power of sale conferred by the LPA free from the restrictions imposed by section 103 of the LPA, which shall not apply to this Deed.
- 14.3 The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Security Trustee in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this Deed.
- 14.4 The restriction on the consolidation of mortgages in section 93 of the LPA does not apply to this Deed nor to any Security given to the Security Trustee pursuant to this Deed. Section 109(1) of the LPA shall not apply to this Deed. Sections

105, 107(2), 109(6) and 109(8) of the LPA will not apply to the Security Trustee nor to a Receiver appointed under this Deed.

- 14.5 The statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by the Chargor in relation to the Secured Assets or any part of them. The restrictions on the powers of the Security Trustee or the Receiver to grant leases or to accept the surrender of leases in sections 99 and 100 of the LPA do not apply to this Deed.

**15. OTHER MISCELLANEOUS PROVISIONS**

- 15.1 Except where expressly stated to the contrary, the powers, rights and remedies provided in this Deed are in addition to (and not instead of) powers, rights and remedies under law.
- 15.2 If an Enforcement Party fails to exercise any power, right or remedy under this Deed or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power right or remedy again, fully or in part.
- 15.3 The Security Trustee may decide when and how to apply any payments and distributions received for its own account under this Deed, and also, as between the Security Trustee and any Chargor, whether and, if so, when, how and to what extent (a) to exercise its rights under this Deed and (b) to exercise any other right it might have in respect of any Chargor (or otherwise) without, in any case, any Chargor having the right to control or restrict the Security Trustee's exercise of this discretion.
- 15.4 No provision of this Deed will interfere with the Security Trustee's right to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated.
- 15.5 Each Chargor authorises the holder of any prior or subsequent Security to provide to the Security Trustee, and the Security Trustee to receive from such holder, details of the state of account between such holder and such Chargor.
- 15.6 No Chargor shall assign, novate or otherwise deal with its rights or obligations under or interests in this Deed, except with the prior written consent of the Security Trustee.
- 15.7 The Security Trustee may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this Deed in accordance with the terms of the Mezzanine Facilities Agreement or the Intercreditor Agreement. Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this deed in the same way as if it had been a Party.
- 15.8 The Security Trustee may disclose any information about the Chargor, the Secured Assets and/or this Deed in the manner provided for in the Mezzanine Facilities Agreement.
- 15.9 If, at any time, there has been a release, settlement or discharge of any Chargor's obligations under this Deed and, as a consequence of any insolvency proceedings (or analogous proceedings) or for any other reason, (a) any payment made to any person in respect of any of the Secured Obligations is

required to be repaid and/or (b) any such payment or any Security (or other right) held by the Security Trustee in respect of any of the Secured Obligations (whether under this Deed or otherwise) is void, is set aside or is otherwise affected, then the relevant Chargor's obligations under this Deed shall continue in effect as if there had been no such release, settlement or discharge and as if the relevant payment had not been made and/or (as applicable) the relevant Security (or other right) had not been held by the Security Trustee; and accordingly (but without limiting the Security Trustee's other rights under this Deed) the Security Trustee shall be entitled to recover from such Chargor the value which the Security Trustee has placed upon such Security or the amount of any such payment as if such payment, settlement or discharge had not occurred.

- 15.10 If the Security Trustee, acting reasonably, considers that any amount paid by any Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in Clause 15.9, then for the purposes of this Deed such amount shall not be considered to have been irrevocably paid.
- 15.11 The Security Trustee as agent for the Secured Parties confirms that the Secured Parties shall perform their respective obligations, to the extent arising under the Finance Documents, to make further advances. The Security created by this Deed has been made for securing such further advances.
- 15.12 To the extent that any Chargor may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process of any kind wherever it might originate, or to the extent that in any such jurisdiction there may be attributed to such Chargor or its assets such immunity (whether or not claimed), it irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction.
- 15.13 On the Discharge Date (but subject to Clauses 15.9 and 15.10) the Security Trustee shall, at the request and cost of each Chargor, execute and do all deeds, acts and things as may be necessary to release the Secured Assets from the Security created by this Deed.
- 15.14 The obligations of each Chargor under Clause 2 (*Covenant to pay*) are unconditional and neither the provisions of this Deed nor the obligations of any Chargor will be affected by the occurrence or existence at any time of any of the following events or circumstances or by any person's knowledge or lack of knowledge as to any such matter: (a) any person's insolvency or lack of capacity, power or authority; (b) any unenforceability, illegality or invalidity of any obligation of any person; (c) any change in the constitution, membership, ownership, legal form, name or status of any person; (d) the making, amendment or termination of any other deed or agreement; (e) any amendment, novation, re-statement or substitution of, or any supplement to, any other deed or agreement; (f) any increase or reduction in the amount of any person's indebtedness or any alteration of any term, condition or arrangement in respect of any person's indebtedness; (g) any person taking or omitting to take any steps in relation to (i) any Chargor or any other person, (ii) any of the Secured Obligations, (iii) any Security, guarantee or other financial support in respect of any indebtedness and/or (iv) any other asset; or (h) anything else which, although it could affect the liability of a surety, would not affect the liability of a principal debtor.

**16. COMMUNICATIONS**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

16.1 In the case of each Chargor and the Security Trustee, those given for it in the signature pages of the Mezzanine Facilities Agreement; and

16.2 In the case of each Receiver and each Delegate, those notified in writing to the Security Trustee (whether in that capacity or in any other capacity) by such Receiver or Delegate (or by the Security Trustee on its behalf) as soon as practicable after its appointment,

or any substitute address, fax number or department or officer as the relevant person may notify to the Agent (or as the Agent may notify to the other Parties, if a change is made by the Agent) by not less than 5 Business Days' notice.

**17. THIS DEED**

17.1 Each Chargor has entered into this Deed in consideration of the Secured Parties or some of them agreeing to provide (or to continue to provide) finance facilities to certain members of the Group on the terms agreed in the Finance Documents.

17.2 This Deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

17.3 If any Party is not bound by this Deed (or any part of it) for any reason, this does not affect the obligations of each other Party under this Deed (or under the relevant part).

17.4 This Deed is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other Security or guarantee which the Security Trustee may now or at any time after the date of this Deed hold for or in respect of the Secured Obligations.

17.5 Each Chargor submitting this Deed or any counterpart to The Land Registry shall, on each occasion, also submit a certified copy of this Deed and request the return of the original and upon the return of the original it shall deliver such original to the Security Trustee.

17.6 This Deed and every counterpart is the property of the Security Trustee.

17.7 If there is any conflict between the provisions of this Deed and the provisions of the Mezzanine Facilities Agreement, the provisions of the Mezzanine Facilities Agreement shall prevail.

**18. GOVERNING LAW**

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

**19. JURISDICTION**

**19.1 Jurisdiction of English courts**

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) and any non-contractual obligations arising out of or in connection with it (a "**Dispute**"). The Parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly no Party will argue to the contrary. This Clause 19.1 is for the benefit of the Enforcement Parties only. As a result, no Enforcement Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, each Enforcement Party may take concurrent proceedings in any number of jurisdictions.

## **19.2 Service of process**

- 19.2.1 Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales):
  - 19.2.1.1 irrevocably appoints Chargor 1 as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed (and Chargor 1 by its execution of this Deed, accepts that appointment); and
  - 19.2.1.2 agrees that any failure by an agent for service of process to notify the relevant Chargor of the process will not invalidate the proceedings concerned.
- 19.2.2 If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, each Chargor (other than Chargor 1) must immediately (and in any event within 5 days of such event taking place) appoint another agent on terms acceptable to the Security Trustee. Failing this, the Security Trustee may appoint another agent for this purpose.
- 19.2.3 Chargor 1 expressly agrees and consents to the provisions of this Clause 19 (*Jurisdiction*) and Clause 18 (*Governing law*).

This document is executed as a deed and delivered on the date stated at the beginning of this Deed.

## **SCHEDULE 1**

### **Bank accounts**

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## **SCHEDULE 2**

### **Consent Material Contracts**

1. Lease dated 8 May 2008 between (1) TCS Freehold Investments Limited and (2) Fraser Hart Limited being leasehold premises at 52/52A Coney Street and 2/2A Market Street, York, North Yorkshire YO1 9ND registered at the Land Registry under title number NYK361711.
2. Lease dated 11 July 2006 between (1) The Chapelfield Partnership and (2) Fraser Hart Limited of leasehold premises known as 116 (Unit No. LG13) Merchants Hall Lower Ground Floor Chapelfield, Norwich.
3. Lease dated 26 November 2001 between (1) Capita (LLRP) Trustee Limited as trustee for Lend Lease Retail Partnership and (2) Fraser Hart Limited (trading as "Fraser Hart") being leasehold premises at Unit 28a Touchwood Solihull West Midlands.
4. Lease dated 7 May 2013 between Cribbs Mall Nominee (1) Limited and Cribbs Mall Nominee (2) Limited and Fraser Hart Limited (2) being leasehold premises known as Unit LR21, Lower Level, Cribbs Causeway, The Mall, Bristol registered at the Land Registry with title number GR373328.
5. Lease dated 14 February 2014 between Lea Croft Properties (1) and Fraser Hart Limited (2) being leasehold premises known as 4 Wallingford Street, Wantage OX12 8AX
6. Lease dated 2 October 2009 between (1) Blueco Limited and (2) Fraser Hart Limited (trading as Fraser Hart) being leasehold premises at Unit LO66A Lower Level Mall, Bluewater, Kent registered at the Land Registry under title number K962107 and described on the property register as Unit LO66A, Lower Thames Walk, Bluewater, Greenhithe DA9 9SL.
7. Agreement for lease dated 3 June 2011 between (1) Standard Life Investment Funds Limited and (2) Fraser Hart Limited relating to Unit G44/45, Parkway, Newbury, Berkshire.
8. Lease dated 9 October 2012 between CSC Harlequin Limited and Fraser Hart Limited of storage unit 25, Harlequin Shopping Centre, Watford.



### **SCHEDULE 3**

#### **Details of Property**

**Name of legal and beneficial owner: Fraser Hart Limited**

1. The leasehold premises at 52/52A Coney Street and 2/2A Market Street, York, North Yorkshire YO1 9ND registered at the Land Registry under title number NYK361711.
2. The leasehold premises known as 116 (Unit No. LG13) Merchants Hall Lower Ground Floor Chapelfield, Norwich.
3. The leasehold premises at Unit 28a Touchwood Solihull West Midlands.
4. The leasehold premises known as Unit LR21, Lower Level, Cribbs Causeway, The Mall, Bristol registered at the Land Registry with title number GR373328.
5. The leasehold premises known as 4 Wallingford Street, Wantage OX12 8AX
6. The leasehold premises at Unit LO66A Lower Level Mall, Bluewater, Kent registered at the Land Registry under title number K962107 and described on the property register as Unit LO66A, Lower Thames Walk, Bluewater, Greenhithe DA9 9SL.
7. The leasehold premises at Unit G44/45, Parkway, Newbury, Berkshire.
8. The leasehold property known as storage unit 25, Harlequin Shopping Centre, Watford.



## SCHEDULE 4

### Shares

	Name of owning Chargor		Name of Subsidiary or other company		Company Number	Number and Class of Shares (and where held by nominees, names of nominees)	
1.	Anthony Nicholas Limited	(UK)	Fraser Holdings Limited	Hart	SC296802	26,542 shares	ordinary
2.	Anthony Nicholas Limited	(UK)	Fred (Glasgow) Limited	Hill	SC021865	1 ordinary share	
3.	Anthony Nicholas Limited	(UK)	Fraser Limited	Hart	SC018475	1 ordinary share	
4.	Fraser Holdings Limited	Hart	Fred Holdings Limited	Hill	SC125880	40,834 shares	ordinary
5.	Fred Holdings Limited	Hill	Fred (Glasgow) Limited	Hill	SC021865	99,999 shares	ordinary

## **SCHEDULE 5**

### **Designated Chattels**

#### **Plant, machinery and equipment**

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## SCHEDULE 6

### Notices

#### Part 1

##### Form of notice in respect of Insurances

**From:** [Relevant Chargor]

**To:** [Insurance Company]

Date: 20[ ]

**Re:** [Insert details of Insurance Policy] (the "**Policy**")

Dear Sirs

We hereby give you notice that we have assigned by way of security to Allied Irish Banks, p.l.c. (as security trustee) (the "**Security Trustee**", which term shall include its successors and assigns) pursuant to a Composite Debenture dated [•] 2014 entered into, *inter alia*, by us in favour of the Security Trustee (the "**Debenture**") all our right, title and interest in, to and under the Policy including all monies payable thereunder, proceeds of all claims, awards and judgments and all other insurances entered into supplemental to or in replacement of such Policy.

We will remain liable to perform all our obligations under the Policy and neither the Security Trustee nor any of the Secured Parties (as referred to in the Debenture) are under any obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

We hereby instruct you to note the interest of the Security Trustee on the Policy as co-insured in respect of all amounts in excess of €100,000 and authorise you to disclose to the Security Trustee, without further approval from us, such information regarding the Policy as the Security Trustee may from time to time request and to send it copies of all notices issued by you under the Policy.

This notice and the terms set out herein shall be irrevocable save as otherwise advised in writing by the Security Trustee and shall be governed by English law together with any non-contractual obligations arising out of or in connection with it.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning same to the Security Trustee at Bankcentre, Ballsbridge, Dublin 4 marked for the attention of David Ward / John Shanahan.

Yours faithfully

\_\_\_\_\_  
for and on behalf of  
[Relevant Chargor]

### Acknowledgement of Notice of Assignment of Insurances

**To:** Allied Irish Banks, p.l.c. (the "**Security Trustee**")

**Date:** 2014

**Re:** [Insert details of Insurance Policy] (the "**Policy**")

Dear Sirs

We confirm receipt from [•] (the "**Chargor**") of a notice dated [•] 2014 (the "**Notice**") of an assignment upon the terms of a Composite Debenture dated [•] 2014 (the "**Debenture**") between, *inter alia*, (1) the Chargor and (2) the Security Trustee in respect of all the Chargor's rights, title, interest and benefit in, to and under the Policy (as specified in the Notice).

We confirm that we have not received notice of any assignment of or charge over any of the right, interests and benefits specified in the Notice and will make all payments to any account as may from time to time be specified by you.

We acknowledge that the Chargor will remain liable to perform all of its obligations under the Policy and that neither the Security Trustee nor any Secured Party (as referred to in the Debenture) is under any obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

This letter is governed by English law together with any non-contractual obligations arising out of or in connection with it.

Yours faithfully

\_\_\_\_\_  
[Insert name of insurance company]

## Part 2

### Form of notice to counterparties of Consent Material Contracts

**From:** [Relevant Chargor] (the "**Chargor**")

**To:** [Counterparty] (the "**Contractual Party**")

Date: 20[ ]

**Re:** [Insert contract description] between [(1) the **Chargor** and (2) the **Contractual Party**] [insert correct party details as appropriate] (the "**Agreement**").

Dear Sirs

We hereby give you notice that we have assigned by way of security to Allied Irish Banks, p.l.c. (as security trustee) (the "**Security Trustee**" which term shall include its successors and assigns) pursuant to a Composite Debenture dated [•] 2014 entered into, *inter alia*, by us in favour of the Security Trustee (the "**Debenture**") all our right, title and interest in (but not our obligations) to and under the Agreement.

We confirm that:

- (a) for the avoidance of doubt, we will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement; and
- (b) at no time will the Security Trustee, any Secured Party (as referred to in the Debenture), any of their agents, any Receiver nor any other person be under any obligation or liability to you under or in respect of the Agreement.

We remain entitled to exercise all our rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to us, unless and until you receive notice (the "**Default Notice**") from the Security Trustee to the contrary stating that the security constituted by the Debenture has become enforceable.

Immediately following receipt of a Default Notice:

- (a) all payments from you under or arising from the Agreement should be made to such account(s) as may from time to time be notified to you in writing by the Security Trustee;
- (b) all remedies provided for in the Agreement or available at law or in equity are exercisable by the Security Trustee;
- (c) all rights to compel performance of the Agreement are exercisable by the Security Trustee; and
- (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Agreement belong to the Security Trustee for the benefit of the Secured Parties.

This notice and the terms set out herein shall be irrevocable save as otherwise advised in writing by the Security Trustee. This notice shall be governed by English law together with any non-contractual obligations arising out of or in connection with it.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning same to the Security Trustee at Bankcentre, Ballsbridge, Dublin 4 marked for the attention of David Ward / John Shanahan.

Yours faithfully

---

for and on behalf of  
[*Relevant Chargor*]



### **Acknowledgment of Notice of Assignment**

To: Allied Irish Banks, p.l.c.  
Bankcentre  
Ballsbridge  
Dublin 4  
(as Security Trustee)

Attention: David Ward / John Shanahan

Re: [Insert contract description] between (1) [Relevant Chargor] (the "**Chargor**") and (2) the Contractual Party (the "**Agreement**").

Dear Sirs

We acknowledge receipt of a notice in the terms attached (the "**Notice**") and confirm our consent to the assignment referred to therein. We further confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Agreement as referred to in the Notice. Terms defined in the Notice shall have the same meanings herein.

With effect from the receipt by us of the Default Notice (as defined in the Notice), we shall pay all monies due by us under or arising from the Agreement in the manner specified in the Notice.

We further confirm that no amendment, waiver or release of any such rights, interests and benefits shall be effective without your prior written consent. Furthermore we confirm that no breach or default on the part of the Chargor of any of the terms of the Agreement shall be deemed to have occurred unless we have given notice of such breach to you specifying how to make good such breach.

We also confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any amount due under the Agreement.

\_\_\_\_\_  
for and on behalf of  
[Insert details of Counterparty]

## **SCHEDULE 7**

### **Receiver's specific powers**

The Receiver will have full power and authority:


1. to enter upon, and to take possession of, the Secured Assets;
2. to collect and get in all rents, fees, charges or other income of the Secured Assets;
3. generally to manage the Secured Assets and to manage or carry on, reconstruct, amalgamate, diversify or concur in carrying on the business of the Chargor or any part of it as he may think fit;
4. without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with and dispose of the Secured Assets or any property acquired in exercise of its powers under this Deed;
5. to purchase or acquire any land and purchase, acquire or grant any interest in or right over land;
6. to take a lease or tenancy of any property required or convenient for the business of the Chargor or the exercise of the Receiver's powers under this Deed;
7. to exercise on behalf of the Chargor and without the consent of or notice to the Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to leasehold property, landlord and tenant, rents, housing or agriculture in respect of the Property;
8. for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and/or for defraying any costs, losses or liabilities which may be incurred by him in their exercise or for any other purpose, to raise or borrow moneys from the Secured Parties or others or incur any other liability on such terms, whether secured or unsecured, as he may think fit, and whether to rank in priority to this Deed or not;
9. to appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this Deed or to guard or protect the Secured Assets upon such terms as to remuneration or otherwise as he may think fit and to discharge any such persons appointed by the Chargor prior to his appointment;
10. in the name of the Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to the Chargor, the business of the Chargor or the Secured Assets as in any case he thinks fit;
11. to settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the Chargor or relating in any way to the Secured Assets;

12. to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Secured Assets;
13. to obtain Authorisations for and to carry out on the Property any new works or complete any unfinished works of development, building, reconstruction, maintenance, repair, renewal, improvement, furnishing or equipment;
14. to enter into, vary, cancel or waive any of the provisions of any contracts which he shall in any case think expedient in the interests of the Chargor or the Security Trustee;
15. to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;
16. to insure the Secured Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver thinks fit, and obtain bonds and give guarantees and Security to any bondsmen;
17. to remove, store, sell or otherwise deal with any chattels located at the Property;
18. to promote or establish any company or to acquire shares in any company (whether as a Subsidiary of the Chargor or otherwise) to facilitate the exercise of his powers under this Deed, to transfer to any such company all or any of the Secured Assets or other assets acquired by the Receiver in exercise of his powers and to exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company;
19. to exercise all voting and other rights attaching to the Investments and all other stocks, shares and securities owned by the Chargor and comprised in the Secured Assets in such manner as he thinks fit;
20. to make, or require the directors of the Chargor to make, calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital; and take action to enforce payment of unpaid calls;
21. to carry into effect and complete any transaction;
22. to redeem any prior Security (or procure the transfer of such Security to an Enforcement Party) and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
23. either in the name of the Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Secured Assets.

## SCHEDULE 8

### Intellectual Property

#### UK Registered Trademarks

Proprietor	Trade Mark	Territory	Registration No.
Fraser Hart Limited	FRASER HART	UK	UK0002414001A
Fraser Hart Limited		UK	UK0002414001B


#### Domain Names

Proprietor	Domain Names
Fraser Hart Limited	<a href="http://www.fraserhart.co.uk">www.fraserhart.co.uk</a>


## EXECUTION

### The Chargers

Executed as a deed by **Anthony Nicholas (UK) Limited**,  
acting by a director

  
**Director**

In the presence of:

Witness Signature: 

Witness Name: M. NAUGHTON - RUMBO

Witness Address: THE HEAD GARDENERS HOUSE, ENNISKEARY  
CO. WICKLOW


Communications to be delivered to:

Address: 155 Townsend Street, Dublin 2

Fax number: +353-1-477 9098

Attention: Noel Lyle / Mark Naughton Rumba

Executed as a deed by **Fred Hill (Glasgow) Limited**,  
acting by a director

  
**Director**

In the presence of:

Witness Signature: 

Witness Name: M. NAUGHTON - RUMBO

Witness Address: THE HEAD GARDENERS HOUSE, ENNISKEARY,  
CO. WICKLOW

Communications to be delivered to:

Address: 155 Townsend Street, Dublin 2

Fax number: +353-1-477 9098

Attention: Noel Lyle / Mark Naughton Rumba

Executed as a deed by **Fraser Hart Limited**,  
acting by a director

  
**Director**

In the presence of:

Witness Signature: 

Witness Name: M. NAUGHTON - RUMBO

Witness Address: THE HEAD GARDENERS HOUSE, ENNISKEARY,  
CO. WICKLOW

Communications to be delivered to:

Address: 155 Townsend Street, Dublin 2

Fax number: +353-1-477 9098

Attention: Noel Lyle / Mark Naughton Rumba

Executed as a deed by **Fred Hill Holdings Limited,**  
acting by a director

**Director**

In the presence of:

Witness Signature: *[Signature]*

Witness Name: *M. NAUGHTON - RUIRO*

Witness Address: *THE HEAD GARDENERS HOUSE, ENNISKERRY,  
Co. WICKLOW*

**Communications to be delivered to:**

Address: *155 Townsend Street, Dublin 2*

Fax number: *+353-1-477 9098*

Attention: *Noel Boyle / Mark Naughton RUIRO*

Executed as a deed by **Fraser Hart Holdings Limited,**  
acting by a director

**Director**

In the presence of:

Witness Signature: *[Signature]*

Witness Name: *M. NAUGHTON - RUIRO*

Witness Address: *THE HEAD GARDENERS HOUSE, ENNISKERRY,  
Co. WICKLOW*

**Communications to be delivered to:**

Address: *155 Townsend Street, Dublin 2*

Fax number: *+353-1-477 9098*

Attention: *Noel Boyle / Mark Naughton RUIRO*

**The Security Trustee**

Executed as a deed by  
as attorney for  
**Allied Irish Banks, p.l.c.**  
In the presence of:

*David Ward*  
as attorney for **Allied Irish Banks, p.l.c.**

Witness signature: *[Signature]*

Name: *NATHALIE PUGLISI*

Address: *ONE ENCLISFORT  
CENTRE, ENCLISFORT  
TERRACE, DUBLIN 2*

Occupation: *SECRETARY*

**Communications to be delivered to:**

Address: *Bentley, Ballsbridge,  
Dublin*

Fax number:

Attention: *David Ward / John Shonan*