



**Registration of a Charge**

Company name: **MCFL HOLDINGS LIMITED**

Company number: **06898860**

Received for Electronic Filing: **03/01/2018**



X6WV44T7

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**Details of Charge**

Date of creation: **19/12/2017**

Charge code: **0689 8860 0004**

Persons entitled: **BGF INVESTMENT MANAGEMENT LIMITED**

Brief description:

**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:

**CHARLES RUSSELL SPEECHLYS LLP**



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

Company number: 6898860

Charge code: 0689 8860 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2017 and created by MCFL HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd January 2018 .

Given at Companies House, Cardiff on 5th January 2018

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

We certify that, save for the material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument

**CRS**  
Charles Russell  
Speechlys

CHARLES RUSSELL SPEECHLYS LLP, 5 FLEET PLACE, LONDON  
EC4M7RD

3 January 2018  
DATED

19 December

2017

(1) **MCFL HOLDINGS LIMITED**  
(as Original Chargor)

and

(2) **BGF INVESTMENT MANAGEMENT LIMITED**  
(as Security Trustee)

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## DEBENTURE

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This Deed is subject to a deed of priority dated on or around the date of this Deed between (amongst others) (1) MCFL Holdings Limited (2) BGF Investment Management Limited and (3) Lloyds Bank Commercial Finance Limited

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THIS DEED is dated

19 December

2017

**BETWEEN:**

- (1) **MCFL HOLDINGS LIMITED**, a company incorporated in England and Wales whose registered office is at Block B, Imperial Works, Perren Street, London, NW5 3ED with company number 06898860 (the "**Original Chargor**");
- (2) **BGF INVESTMENT MANAGEMENT LIMITED** a company incorporated in England and Wales whose registered office is at 13-15 York Buildings, London, WC2N 6JU, with company number 10608481 (the "**Security Trustee**").

**BACKGROUND:**

Each Chargor enters into this Deed in connection with the Loan Note Instrument (as defined below).

**IT IS AGREED** as follows:

**1 DEFINITIONS**

In this Deed:

**Account Bank** each bank, financial institution or other person with whom an Account is maintained

**Accounts** the accounts held with any Account Bank at any time owned or operated by a Chargor, each replacement account or sub-account relating to any of them, all money from time to time standing to the credit of those accounts and all interest accruing in relation to them and the debt or debts represented thereby

**Additional Chargor** any entity which becomes a Chargor under this Deed by executing a Deed of Accession

**Administrator** any administrator appointed in respect of any Chargor whether by the Security Trustee, a court or otherwise

**Assigned Contracts** each of the contracts described in Schedule 2 (*Contracts*) to this Deed and Schedule 2 (*Contracts*) to any Deed of Accession and any other contract designated as an "Assigned Contract" by the Security Trustee

**Authorisation** an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

**Chattels** all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of a Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them

<b>Chargors</b>	the Original Chargor and any Additional Chargors
<b>Chargors' Agent</b>	the Original Chargor, appointed to act on behalf of each Chargor in relation to a Deed of Accession pursuant to Clause 39 ( <i>Chargors' Agent</i> )
<b>Contracts</b>	each of the present and future contracts to which a Chargor is a party including, but not limited to, each of the contracts described in Schedule 2 ( <i>Contracts</i> ) to this Deed and each of the contracts described in Schedule 2 ( <i>Contracts</i> ) to any Deed of Accession by which it became party to this Deed, all guarantees, warranties and indemnities issued in relation to any contract
<b>Deed of Accession</b>	a deed substantially in the form of Schedule 9 ( <i>Form of Deed of Accession</i> )
<b>Deed of Priority</b>	a deed of priority dated on or around the date of this Deed between (amongst others) (1) the Original Chargor (2) the Security Trustee and (3) Lloyds Bank Commercial Finance Limited
<b>Delegate</b>	any delegate, agent, attorney or co-trustee appointed by the Security Trustee and/or any Receiver (as appropriate)
<b>Discharge Date</b>	the date on which the Security Trustee confirms in writing to the Chargors that all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising
<b>Dividends</b>	all dividends and distributions of any kind, interest and any other income received or receivable by a Chargor in relation to any of the Shares
<b>Environment</b>	humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media: <ul style="list-style-type: none"> <li>(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);</li> <li>(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and</li> <li>(c) land (including, without limitation, land under water)</li> </ul>
<b>Environmental Law</b>	any applicable law or regulation which relates to: <ul style="list-style-type: none"> <li>(a) the pollution or protection of the Environment;</li> </ul>



	<ul style="list-style-type: none"> <li>(b) the conditions of the workplace; or</li> <li>(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste</li> </ul>
<b>Event of Default</b>	any event or circumstance specified as such in paragraph 3.2 of Schedule 2 to the Loan Note Instrument
<b>Finance Document</b>	the Investment Agreement, the Loan Note Instrument, the Security Documents, the Security Trust Deed, any accession deed to the Security Trust Deed or any other document designated as such by the Original Chargor and the Security Trustee
<b>Finance Party</b>	the Security Trustee, all other members of the BGF Group (as defined in the Investment Agreement) which are party to or beneficiary of the Finance Documents and the Noteholders
<b>Guarantee</b>	the guarantee and indemnity dated on or around the date of this Deed entered into by the Original Chargor (as the company), Oliver Sweeney Holdings Limited (company number 06452150) and Oliver Sweeney Trading Limited (company number 06899027) (as the subsidiaries) and BGF Nominees Limited (company number 10007355) and others (as the noteholders)
<b>Insolvency Act</b>	the Insolvency Act 1986
<b>Intellectual Property</b>	<ul style="list-style-type: none"> <li>(a) all present and future patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and</li> <li>(b) the benefit of all applications, licences and rights to use the assets listed in paragraph (a) above</li> </ul>
<b>Interest Payment Date</b>	has the meaning given to it in the Loan Note Instrument
<b>Investments</b>	the Shares and Dividends
<b>Lease Document</b>	(a) an agreement to grant an Occupational Lease for all or part of any Real Property

- (b) any lease or licence or other right of occupation or right to receive rent to which the Real Property may at any time be subject and includes any guarantee of a tenant's obligations under the same (an "**Occupational Lease**"); or
- (c) any other document designated as such by the Security Trustee and the Original Chargor;

**Legal Mortgage**

a charge by way of legal mortgage granted by a Chargor in favour of the Security Trustee and in the form of Schedule 4 (*Form of Legal Mortgage*) in respect of all or any part of the Real Property acquired by a Chargor after the date of this Deed

**Legal  
Reservations**

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim;
- (c) the limitation of the enforcement of the terms of leases of real property by laws of general application to those leases; and
- (d) similar principles, rights and remedies under the laws of any relevant jurisdiction

**Limitation Acts**

the Limitation Act 1980 and the Foreign Limitation Periods Act 1984

**Loan Note  
Instrument**

the loan note instrument dated on or about the date of this Deed issued by the Original Chargor constituting the Loan Notes

**Loan Notes**

the £1,600,000 fixed rate secured loan notes 2022, 2023 and 2024 of the Original Chargor, together with any further amount of such loan notes issued under and pursuant to the Loan Note Instrument

**LPA**

the Law of Property Act 1925

**Monetary  
Claims**

all book and other debts and monetary claims of any nature and however arising at any time owing to a Chargor or in which it has an interest and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or held

by it in relation to the same including, for the avoidance of doubt any debts owing to a Chargor from any of its Subsidiaries

**Mortgaged  
Property**

any freehold, leasehold or immovable property specified in Schedule 1 (*Mortgaged Property*) to this Deed and in Schedule 1 (*Mortgaged Property*) of the Schedule to any Deed of Accession and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage

**Noteholders**

the holders of Loan Notes from time to time and "Noteholder" means any one of such holders

**Party**

a party to this Deed and the term "Parties" shall be construed accordingly

**Permitted  
Security**

- (a) the debenture dated 1 February 2012 between the Original Chargor (as chargor) and Lloyds TSB Commercial Finance Limited (as chargee); and
- (b) any security listed in Schedule 4 (Additional Permitted Security) to any Deed of Accession

**Planning  
Legislation**

any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation

**Policies**

- (a) each insurance policy taken out at any time by or on behalf of a Chargor or in respect of which it has an interest or a right to claim; and
- (b) any other insurance policy designated as a "Policy" by the Security Trustee

**Real Property**

- (a) the Mortgaged Property;
- (b) any other freehold, leasehold or immovable property in which any Chargor has an interest (including, for the avoidance of doubt, an option to purchase any property); and
- (c) any buildings, erections, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraphs (a) above and (b) above and includes all Related Rights

<b>Receiver</b>	a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets
<b>Regulations</b>	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)
<b>Related Rights</b>	as regards any Security Asset, all present and future: <ul style="list-style-type: none"> <li>(a) money and proceeds of any nature paid or payable in relation to that Security Asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Security Asset;</li> <li>(b) all rights and interests of any nature attaching to, deriving from or exercisable as a result of a Chargor's interest in or ownership or operation of that Security Asset; and</li> <li>(c) all rights to make a demand or claim</li> </ul>
<b>Relevant Currency</b>	in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated
<b>Relevant Interbank Market</b>	the London interbank market
<b>Restrictions Notice</b>	a "restrictions notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006
<b>Secured Liabilities</b>	all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally as principal or surety or in any other capacity whatsoever) of each and every Chargor from time to time to any Secured Party under each Finance Document or otherwise together with all interest accruing in respect of any such monies, obligations and liabilities
<b>Secured Party</b>	means a Finance Party, a Receiver or Delegate
<b>Security</b>	a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
<b>Security Assets</b>	all of the rights, interests and assets which from time to time are, or are expressed to be, the subject to the Security created by or pursuant to this Deed;
<b>Security Trust Deed</b>	a security trust deed dated on or about the date of this Deed appointing the Security Trustee as security trustee for the Noteholders

**Security Documents**

- (a) this Deed
- (b) any Deed of Accession
- (c) the Guarantee
- (d) any other document evidencing or creating Security over any asset to secure any obligation of a Chargor to the Noteholders
- (e) any other document designated as such by the Security Trustee and the Original Chargor

**Shares**

- (a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by each Chargor or in which it has an interest from time to time including (without limitation) the shares listed in Schedule 3 (*Shares*) to this Deed and in Schedule 3 to any Deed of Accession;
- (b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above; and
- (c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise

**Subsidiary**

a subsidiary undertaking within the meaning of section 1159 of the Companies Act 2006

**Tax**

any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

**Transaction Security**

the Security created or evidenced or expressed to be created or evidenced under the Security Documents

**Warning Notice**

a "warning notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006

## 2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Loan Note Instrument has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 Unless a contrary indication appears, a reference in this Deed to:
- 2.2.1 this Deed, a "**Finance Document**" or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - 2.2.2 a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having separate legal personality);
  - 2.2.3 a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
  - 2.2.4 "**Security Asset**", "**Accounts**", "**Chattels**", "**Contracts**", "**Intellectual Property**", "**Investments**", "**Lease Document**", "**Monetary Claims**", "**Policies**" and "**Real Property**" includes:
    - (a) any part of that asset;
    - (b) any present and future assets of that type; and
    - (c) all Related Rights relating to assets of that type;
  - 2.2.5 "**Secured Liabilities**" is deemed to include a reference to any part of them;
  - 2.2.6 the "**Security Trustee**", the "**Chargor**", a "**Noteholder**" or any "**Party**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee or Security Trustees in accordance with the Finance Documents;
  - 2.2.7 a provision of law is a reference to that provision as amended or re-enacted;
  - 2.2.8 the singular is deemed to include the plural and vice versa; and
  - 2.2.9 a time of day is a reference to London time.
- 2.3 The term "**Security Trustee**" includes any subsidiary or group company or assignee of the Security Trustee granting or continuing to grant facilities or accommodation to a Chargor.
- 2.4 "**Receivers**" are references to receivers of whatsoever nature including, without limitation, receivers, managers and administrative receivers.
- 2.5 "**Administrators**" are references to administrators appointed under the Insolvency Act and include administrators appointed under the out of court procedure under the Insolvency Act.
- 2.6 Clause and Schedule headings are for ease of reference only.

- 2.7 An Event of Default is “**continuing**” if it has not been waived or, if capable of remedy, remedied to the satisfaction of the Security Trustee (acting reasonably).
- 2.8 Any undertaking given by a Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of the Security Trustee.
- 2.9 The terms of the other Finance Documents and of any agreement, instrument or side letters between any parties to the Loan Note Instrument in relation to any Finance Document (as the case may be) are incorporated into this Deed to the extent required to ensure that any purported disposition or any agreement for the disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 2.10 The absence of or incomplete details of any Security Asset in any Schedule to this Deed or in any Schedule to any Deed of Accession (if any) does not affect the validity or enforceability of any Security under this Deed.
- 2.11 Clauses 4.2 (*Land*) to 4.10 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.12 It is intended that this Deed takes effect as a deed notwithstanding the fact that the Security Trustee may only execute this Deed under hand.
- 2.13 If the Security Trustee considers that an amount paid to it under any Finance Document or in relation to any Secured Liability is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 2.14 In the event of a conflict between the terms of this Deed or any Deed of Accession and the terms of the Loan Note Instrument, the terms of the Loan Note Instrument will prevail.
- 2.15 This Deed is in all respects subject to the terms of the Deed of Priority pursuant to which the Permitted Security shall have priority as therein specified and the provisions of this Deed shall be subject to such Permitted Security.

### **3 UNDERTAKING TO PAY**

Each Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

### **4 SECURITY**

#### **4.1 Nature of the Security**

4.1.1 All the Security created under this Deed and under each Deed of Accession:

- (a) is created in favour of the Security Trustee;

- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed or by any Deed of Accession, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If a Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed or under any Deed of Accession and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) that Chargor shall notify the Security Trustee promptly;
- (b) until the consent is obtained, this Deed (or the Deed of Accession, if applicable) will secure all amounts of any nature which that Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed (or Deed of Accession). Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed (or under the Deed of Accession); and
- (c) unless the Security Trustee otherwise requires, the relevant Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed (or in accordance with any Deed of Accession).

4.1.3 Each Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.

#### **4.2 Land**

Each Chargor charges:

- 4.2.1 by way of a first legal mortgage, all the Mortgaged Property owned by it and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use the Mortgaged Property owned by it; and
- 4.2.2 (to the extent that they are not the subject of a mortgage under Clause 4.2.1 above) by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use Real Property owned by it.

#### **4.3 Chattels**

Each Chargor charges by way of a first fixed charge all the Chattels owned by it and its interest in any Chattels in its possession.

#### **4.4 Investments**

Each Chargor charges by way of a first fixed charge all the Shares and Dividends.



#### **4.5 Accounts**

4.5.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*), all its rights in respect of the Accounts.

4.5.2 To the extent that they are not effectively assigned under Clause 4.5.1 above, each Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

#### **4.6 Monetary Claims**

Each Chargor charges by way of a first fixed charge all the Monetary Claims.

#### **4.7 Contracts**

4.7.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*), all its rights in respect of:

- (a) the Contracts;
- (b) any letter of credit issued in its favour; and
- (c) any bill of exchange or other negotiable instrument held by it.

4.7.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the relevant Chargor charges by way of fixed charge all of its rights and interest in such Contract.

4.7.3 To the extent that any Contract is not capable of assignment or charge without infringing any provision of such Contract, the relevant Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

#### **4.8 Insurances**

4.8.1 Each Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*), all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.

4.8.2 To the extent that they are not effectively assigned under Clause 4.8.1 above, each Chargor charges by way of a first fixed charge the relevant amounts and rights described in Clause 4.8.1 above.

#### **4.9 Intellectual Property**

Each Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

#### **4.10 Miscellaneous**

Each Chargor charges by way of first fixed charge:

- 4.10.1 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.10.2 any and all Related Rights;

- 4.10.3 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
- 4.10.4 its goodwill and uncalled capital; and
- 4.10.5 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation.

#### 4.11 Floating charge

- 4.11.1 Each Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.11.2 Paragraph 14(2)(a) of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 4.11.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

#### 4.12 Crystallisation

- 4.12.1 The Security Trustee may at any time by notice in writing to a Chargor convert any floating charge created by that Chargor pursuant to Clause 4.11 (*Floating charge*) above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:
  - (a) the Security constituted by this Deed has become enforceable in accordance with Clause 18 (*Enforcement of Security*); or
  - (b) the Security Trustee considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
  - (c) the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security.
- 4.12.2 Notwithstanding Clause 4.12.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.11 (*Floating charge*) will automatically and immediately (without notice) convert into a fixed charge over all of a Chargor's assets if:
  - (a) that Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of the Finance Documents;
  - (b) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
  - (c) a receiver or administrator is appointed in respect of that Chargor or a person entitled to appoint an administrator in respect of that Chargor gives notice of its intention to do so or files a notice of appointment with a court; or

- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of that Chargor other than a winding up petition which is stayed within 14 days of commencement.

4.12.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.11 (*Floating charge*) may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule A1 of the Insolvency Act) under the Insolvency Act.

## **5 NEGATIVE UNDERTAKINGS**

### **5.1 Negative Pledge**

Save for the Permitted Security, no Chargor shall create or permit to subsist any Security over any Security Asset other than pursuant to the terms of the Finance Documents.

### **5.2 Disposals**

No Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, lease or otherwise dispose or purport or agree to dispose of any of the Security Assets.

### **5.3 Rights related to Security Assets**

No Chargor shall take any action (or permit any action to be taken) which results or could reasonably be expected to result in any of its rights relating to any Security Asset being impaired in any material respect.

### **5.4 Security not to be prejudiced**

No Chargor shall do, or permit to be done, anything which would prejudice the Security constituted or expressed to be constituted by this Deed or by a Deed of Accession.

## **6 GENERAL REPRESENTATIONS AND WARRANTIES**

The representations and warranties set out in this clause are made by each Chargor to the Security Trustee on the dates set out in Clauses 6.16 and 6.17:

### **6.1**

6.1.1 It has been duly incorporated and registered as a company with limited liability under the laws of England and Wales and validly exists under the laws of England and Wales; and

6.1.2 it has the power to own its assets and carry on its business as it is being conducted.

6.2 It is the sole, absolute, legal and beneficial owner of the Security Assets.

- 6.3 No person save for it has any right or interest of any sort whatsoever in or to the Security Assets.
- 6.4 It is not aware of any adverse claim by any person in respect of the Security Assets or any interest in them.
- 6.5 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Security Assets.
- 6.6 There is no breach of any law or regulation which materially and adversely affects the Security Assets.
- 6.7 Subject to the Legal Reservations, the obligations expressed to be assumed by it in this Deed and any Deed of Accession are legal, valid, binding and enforceable obligations.
- 6.8 It has the power to enter into and perform, and has taken all necessary action to authorise its entry into and performance of, this Deed and the other Finance Documents to which it is a party and the transactions contemplated by this Deed and any Deed of Accession.
- 6.9 The entry into and performance by it of, and the transactions contemplated by, this Deed and any Deed of Accession do not and will not contravene or conflict with:
- 6.9.1 its constitutional documents;
  - 6.9.2 any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
  - 6.9.3 any law or regulation or judicial or official order applicable to it.
- 6.10 All Authorisations required:
- 6.10.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed and any Deed of Accession; and
  - 6.10.2 to make this Deed and any Deed of Accession admissible in evidence in its jurisdiction of incorporation,
- have been obtained or effected and are in full force and effect.
- 6.11 It is not required under the law of its domicile to make any deduction for, or on account of, Tax from any payment it may make under this Deed or any Deed of Accession.
- 6.12
- 6.12.1 This Deed and each Deed of Accession creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise; and
  - 6.12.2 the obligations to be assumed by it in this Deed and in each Deed of Accession are legal, valid, binding and enforceable obligations.
- 6.13 No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started or threatened against it (including but not limited to any winding-up proceedings or other insolvency procedure).

- 6.14 The Security constituted by this Deed and by each Deed of Accession constitutes a security interest of the type described over the assets referred to in this Deed and in any Deed of Accession and, save for the Permitted Security, the Security Assets are not subject to any prior or pari passu Security.
- 6.15 Subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of Real Property, registration at the Land Registry and payment of registration fees to Companies House and the Land Registry, it is not necessary to file, record or enrol this Deed or any Deed of Accession with any court or other authority or pay any stamp, registration or similar tax in relation to this deed or any Deed of Accession.
- 6.16 The representations and warranties set out in this Deed are made:
- 6.16.1 by the Original Chargor on the date of this Deed; and
- 6.16.2 by each Additional Chargor on the date that they enter into a Deed of Accession.
- 6.17 Each representation and warranty is deemed to be repeated by each Chargor on each Interest Payment Date by reference to the circumstances existing at the time of repetition.

## **7 REAL PROPERTY**

### **7.1 Acquisitions**

#### **7.1.1 If:**

- (a) the Original Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed; or
- (b) an Additional Chargor acquires any freehold, leasehold or commonhold property after the date of the relevant Deed of Accession pursuant to which it became a party to this Deed,

it shall:

- (a) notify the Security Trustee within 5 Business Days;
- (b) within 5 Business Days of request by the Security Trustee and at the cost of the Chargors, execute and deliver to the Security Trustee a Legal Mortgage in favour of the Security Trustee (as trustee for the Secured Parties) of that property;
- (c) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
- (d) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

- 7.1.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The relevant Chargor shall promptly request the relevant landlord's consent and

shall use all reasonable endeavours to obtain that consent within 10 Business Days of making the request.

## **7.2 Notices**

Each Chargor shall:

- 7.2.1 promptly give to the Security Trustee full particulars with respect to (and, if requested by the Security Trustee, a copy of) any notice, order, directive, designation, resolution or proposal which applies to any of its Real Property or to the area in which it is situate and which is issued:
- (a) by any planning authority or other public body or authority under or by virtue of any Planning Legislation;
  - (b) pursuant to any law or regulation relating to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
  - (c) pursuant to section 146 of the LPA; or
  - (d) pursuant to some other power conferred by law;
- 7.2.2 without delay and at its own cost, make such objections or representations (or join with the Security Trustee in making such objections or representations) against or in respect of any such notice, order, directive, designation, resolution or proposal as the Security Trustee may direct; and
- 7.2.3 take all steps necessary to comply with each such notice, order, directive, designation, resolution or proposal.

## **7.3 Leases**

7.3.1 Each Chargor shall:

- (a) pay the rent reserved by and otherwise perform and observe all covenants, stipulations and obligations on the part of the lessee (and diligently enforce performance of the obligations on the part of the lessor) in respect of any land constituting part of its Real Property;
- (b) within 5 Business Days notify the Security Trustee if any Lease Document in respect of which it is the lessee has or may become subject to determination or to the exercise by the lessor of any right of re-entry or forfeiture and, if so required by the Security Trustee acting reasonably, diligently pursue applications for relief from any such rights of re-entry or forfeiture;
- (c) if the Security Trustee so requires, serve notice in respect of any fixed charge (as defined in the Landlord and Tenant (Covenants) Act 1995) in the appropriate form on any former tenant under a lease of Real Property or the guarantor of such a tenant;

- (d) in respect of any Lease Document of which it is the lessee refrain from agreeing any change in the rent reserved by any such Lease Document without the prior written consent of the Security Trustee; and
- (e) in respect of any Lease Document of which it is the lessor:
  - (i) implement any provision for the review of any rent reserved by any such Lease Document and not agree to a change in rent without the prior written consent of the Security Trustee;
  - (ii) not agree to any amendment, waiver, renewal or surrender of such Lease Document;
  - (iii) exercise any right of re-entry, exercise any option or power to break or determine or commence forfeiture proceedings against any lessee under any such Lease Document; and
  - (iv) otherwise efficiently manage the premises the subject of each such Lease Document.

#### **7.4 Obligations**

Notwithstanding the operation of Clause 7.3 (*Leases*), the relevant Chargor is and shall remain liable under that Lease Document and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Lease Document by reason of this Deed or any Deed of Accession or the exercise by any Secured Party of any rights, powers or remedies under this Deed or under any Deed of Accession.

#### **7.5 Deposit of title deeds**

Each Chargor shall immediately deposit with the Security Trustee all deeds and documents of title relating to its Real Property and all local land charges, land charge and Land Registry certificates and similar documents received by it or on its behalf.

#### **7.6 Maintenance**

Each Chargor shall:

- 7.6.1 from time to time on request, furnish to the Security Trustee such information in relation to its Real Property and the Occupational Leases to which its Real Property shall be subject as the Security Trustee may require and permit the Security Trustee, its agents, officers and employees free access at all times (and, unless an Event of Default has occurred, on notice) to view the state and condition of its Real Property without becoming liable to account as mortgagee in possession;
- 7.6.2 keep the Real Property in good repair and condition and decorative order and shall promptly repair any defect or damage affecting its Real Property and, where necessary, replace such items with others of similar quality and value;
- 7.6.3 not, other than in accordance with the terms of the Loan Note Instrument:
  - (a) carry out or permit any demolition, reconstruction or rebuilding of its Real Property or any structural alterations or material change in its use; or

- (b) sever, unfix or remove any of the fixtures, fittings, plant or machinery (other than its stock in trade and work in progress) on or in its Real Property (except for the purpose and in the course of making necessary repairs to such Real Property or for replacing the same with new or improved models or substitutes);

7.6.4 observe and perform all restrictive and other covenants, undertakings, stipulations and obligations affecting any of its Real Property insofar as they are subsisting and capable of being enforced; and

7.6.5 duly and diligently enforce all restrictive or other covenants, undertakings, stipulations and obligations benefiting its Real Property and not waive, release or vary (or agree to do so) the obligations of any other party thereto.

## **7.7 Compliance**

Each Chargor shall comply with:

7.7.1 all laws for the time being in force; and

7.7.2 all notices, orders, directives, licences, consents and assurances given or made under any law or regulation by any person,

in each case, insofar as the same relate to its Real Property or the occupation and use of its Real Property.

## **7.8 Investigation of title**

Each Chargor shall grant the Security Trustee or its lawyers on request all facilities within its power to enable the Security Trustee or its lawyers (at the expense of the Chargors) to:

7.8.1 carry out investigations of title in relation to its Real Property; and

7.8.2 make such enquiries in relation to any part of its Real Property as a prudent mortgagee might carry out.

## **7.9 Compensation payments**

Subject to the rights and claims of any person having prior rights to such compensation, all monies payable to a Chargor by way of compensation, whether under Section 25 of the Law of Property Act 1969 or under the Landlord and Tenant Acts 1927 to 1954 or otherwise, shall be paid to the Security Trustee (who shall be entitled to give good receipt for such monies) and applied in accordance with Clause 21.1 (*Order of application*) as though they were the proceeds of the enforcement of the Security constituted by this Deed or by any Deed of Accession, and any monies that may be received by a Chargor shall, pending such payment, be held on trust for the Security Trustee.

## **7.10 Power to remedy**

If a Chargor fails to comply with any of the undertakings contained in this Clause 7, that Chargor shall allow the Security Trustee or its agents and contractors:

7.10.1 to enter any part of its Real Property;



- 7.10.2 to comply with or object to any notice served on that Chargor in respect of its Real Property; and
- 7.10.3 to take any action as the Security Trustee may consider necessary or desirable to prevent or remedy the relevant breach or to comply with or object to any such notice.

The Chargors shall within 3 Business Days of request by the Security Trustee pay the costs and expenses of the Security Trustee and its agents and contractors incurred in connection with any action taken under this sub-clause.

## **8 INVESTMENTS**

### **8.1 Investments - representations and warranties**

Each Chargor represents and warrants to the Security Trustee that:

- 8.1.1 it is the sole legal and beneficial owner of the Shares charged by it under this Deed or under any Deed of Accession;
- 8.1.2 such Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right and there are no monies or liabilities outstanding in respect of any Share;
- 8.1.3 the articles of association (and any shareholder agreement if applicable) of the company(ies) whose Shares are subject to this Deed or any Deed of Accession allow for the free and unrestricted transfer of the Shares and Related Rights free from any rights of pre-emption, forfeiture or disenfranchisement and that the company(ies) whose Shares are subject to this Deed or any Deed of Accession are/is not, in any circumstances, entitled to any form of lien upon the Shares;
- 8.1.4 there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any Shares;
- 8.1.5 it has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006; and
- 8.1.6 no Warning Notice or Restrictions Notice has been issued to it in respect of all or any part of the Shares.

### **8.2 Deposit of title documents**

Each Chargor undertakes to deposit with the Security Trustee or the Security Trustee's nominee:

- 8.2.1 on or before execution of this Deed (or if it is an Additional Chargor, on or before execution of the Deed of Accession pursuant to which it becomes a party to this Deed), all share certificates or other documents of title or evidence of ownership relating to the Shares charged by it under this Deed (or under any Deed of Accession);
- 8.2.2 immediately upon its establishment or acquisition of any Investment, all share certificates and other documents of title or evidence of ownership relating to that Investment; and

8.2.3 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, all share certificates and other documents of title relating to each of such items; and

8.2.4 stock transfer forms (or other appropriate transfer instruments) signed by the relevant Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Trustee may hold all those certificates, forms and documents until the Discharge Date so that the Security Trustee may, at any time after the Security created by this Deed or by any Deed of Accession has become enforceable in accordance with its terms and without notice to the relevant Chargor, complete and present those stock transfer forms and any other documents to the issuers of the Security Assets for registration.

### 8.3 Completion of transfers

The Security Trustee is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of each Chargor in favour of the Security Trustee or its nominee, using the power of attorney contained in Clause 24 (*Power of attorney*) or otherwise.

### 8.4 Voting and Dividends

#### 8.4.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that:
- (i) it does so for a purpose not inconsistent with its obligations under any Finance Document; and
  - (ii) the exercise or failure to exercise those rights does not have an adverse effect on the value of the Investments and does not otherwise prejudice the Security Trustee's interests under this Deed or under any Deed of Accession; and
- (b) each Chargor is entitled to receive and retain all Dividends.

#### 8.4.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Security Trustee will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment as it sees fit in its absolute discretion;
- (b) each Chargor shall comply, or procure compliance with, any directions of the Security Trustee in relation to the exercise of those rights and shall promptly execute and deliver to the Security Trustee all forms of proxy as the Security Trustee may require in connection with the exercise of those rights; and

- (c) all Dividends shall be paid or transferred to the Security Trustee (or to its order) and any Dividends received by a Chargor shall be held by that Chargor on trust for the Security Trustee and immediately paid by it to the Security Trustee or to any nominee designated by the Security Trustee. The Security Trustee will be entitled to apply those Dividends in such manner as it sees fit.

**8.4.3 After an Event of Default has occurred:**

- (a) the Security Trustee may, in its absolute discretion, and without any consent or authority from the relevant Chargor (but providing that Chargor with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Security Trustee pursuant to sub-clause 8.4.2(a) above, provided that the Chargors shall compensate or otherwise make the Security Trustee good in respect of any loss or shortfall it may suffer as a consequence of such election;
- (b) once a notice has been issued by the Security Trustee under sub-clause 8.4.3(a) above, on and from the date of such notice, the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares conferred or to be conferred on it pursuant to sub-clause 8.4.2(a) above or any other provision of this Deed or any provision of any Deed of Accession and all such rights shall be exercisable by the relevant Chargor. That Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in sub-clause 8.4.1(a) above.

**8.5 Limited obligations of the Security Trustee**

At any time when any Shares are registered in the name of the Security Trustee or its nominee, the Security Trustee shall have no duty:

- 8.5.1 to make any payment or to ensure that any dividends, distributions, interest or other monies payable in respect of those Shares are duly and promptly paid or received by it or its nominee;
- 8.5.2 to verify that the amounts referred to in Clause 8.5.1 are the correct amounts paid or received;
- 8.5.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, those Shares;
- 8.5.4 to perform any obligation of a Chargor in relation to those Shares; or
- 8.5.5 to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed or under any Deed of Accession.

## **8.6 Nominee shareholders**

If any Investment is not held in a Chargor's name (other than as a result of the operation of this Deed or any Deed of Accession) the relevant Chargor shall procure the prompt delivery to the Security Trustee of an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Investment is held. That power of attorney shall appoint the Security Trustee and every Receiver as the attorney of the holder in relation to that Investment and shall be in a form approved by the Security Trustee.

## **8.7 Circulars**

Each Chargor shall promptly deliver to the Security Trustee a copy of every circular, notice, report set of documents received by it or its nominee in connection with the Investments.

## **8.8 Calls**

Each Chargor shall pay all calls and other payments due in relation to the Investments. If a Chargor fails to do so, the Security Trustee may pay those calls or other payments on that Chargor's behalf and the Chargors shall immediately on demand reimburse the Security Trustee for any such payment.

## **8.9 Alteration to rights**

No Chargor shall vary or agree to any variation in voting rights attaching to the Shares and shall not cause or permit any of the Shares to be consolidated, sub-divided or converted other than by written consent of the Security Trustee.

## **8.10 Other obligations in respect of Shares**

8.10.1 Each Chargor shall comply with all requests for information relating to any Shares which is within its actual or imputed knowledge and with which it is required to comply by its articles of association or by any law (including sections 793, 820 to 825 of the Companies Act 2006).

8.10.2 Each Chargor shall promptly supply a copy to the Security Trustee of any information referred to in Clause 8.10.1.

8.10.3 Each Chargor shall comply with any notice served on it in respect of all or any part of the Investments pursuant to part 21A of the Companies Act 2006 within the timeframe specified in that notice and shall deliver a copy of any such notice to the Security Trustee promptly upon receipt.

8.10.4 Each Chargor shall comply with all other conditions and obligations assumed by them in respect of any Investment.

## **9 CHATTELS**

### **9.1 Maintenance**

Each Chargor shall:

9.1.1 keep all its Chattels in good repair, working order and condition;

9.1.2 give the Security Trustee such information concerning the location, condition, use and operation of its Chattels as the Security Trustee may require;

9.1.3 permit any persons designated by the Security Trustee to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and

9.1.4 not permit any Chattels to be:

(a) used or handled other than by properly qualified and trained persons; or

(b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

## **9.2 Notice of Charge**

Each Chargor shall take any action which the Security Trustee may reasonably require to evidence the interest of the Security Trustee in its Chattels; this includes a fixed nameplate on its Chattels in a prominent position stating that:

9.2.1 the Chattel is charged in favour of the Security Trustee; and

9.2.2 the Chattel must not be disposed of without the prior consent of the Security Trustee unless permitted under the Loan Note Instrument.

## **10 ACCOUNTS**

### **10.1 Operation of the Accounts**

10.1.1 Prior to the occurrence of an Event of Default each Chargor shall be entitled to withdraw or transfer any sum standing to the credit of any Account.

10.1.2 After the occurrence of an Event of Default, no Chargor shall be entitled to make any withdrawals or transfers from any Account without the Security Trustee's prior written consent.

### **10.2 Time deposits**

Without prejudice to any right of set off any Secured Party may have under any other Security Document or otherwise, if the balance of any Account constitutes a time deposit then, subject to any contrary instructions from the Security Trustee, that time deposit shall be successively redeposited for such periods and on such terms as may from time to time be agreed between the Security Trustee and the relevant Chargor in writing (failing which agreement, for such periods and on such terms as the Security Trustee may in its discretion decide).

## **11 CONTRACTS**

### **11.1 Contracts - representations and warranties**

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, that:

11.1.1 each Assigned Contract to which it is a party is in full force and effect and constitutes its legal, valid, binding and enforceable obligations;

11.1.2 its execution and performance of the Assigned Contracts to which it is a party does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument;

- 11.1.3 it is not in default, nor, so far as it is aware, is any counterparty to an Assigned Contract in default, under the Assigned Contracts to which it is a party;
- 11.1.4 all payments due to it from any party under the Assigned Contracts to which it is a party can be made without withholding or deduction on account of Tax;
- 11.1.5 all payments to it by any other party to any of the Assigned Contracts to which it is a party are not subject to any right of set off or similar right; and
- 11.1.6 there is no prohibition on assignment in the Assigned Contracts to which it is a party.

## 11.2 Contracts – Undertakings

- 11.2.1 No Chargor shall without the prior written consent of the Security Trustee:
  - (a) amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Assigned Contract to which it is a party or terminate such Assigned Contract or allow such Assigned Contract to lapse (other than where an Assigned Contract expires in accordance with its terms and not by reason of default) and shall not do or permit anything to be done which may impair the enforceability of any term of any such Assigned Contract;
  - (b) take any action which might jeopardise the existence or enforceability of any Assigned Contract to which it is a party.
- 11.2.2 Each Chargor shall:
  - (a) promptly perform all its obligations under each Assigned Contract to which it is a party;
  - (b) diligently enforce its rights under each Assigned Contract to which it is a party;
  - (c) inform the Security Trustee immediately if it serves any notice of default, or commences any legal proceeding, or receives any notice of default or of the initiation of any legal proceeding in relation to any Assigned Contract to which it is a party;
  - (d) supply the Security Trustee with (i) a copy of each Assigned Contract to which it is a party, certified as being true and correct by a director of it and (ii) any other information and copies of any other documents relating to each Assigned Contract to which it is a party which the Security Trustee, or any Receiver, requests.

## 11.3 Obligations

Notwithstanding the operation of Clause 4.7 (*Contracts*), each Chargor is and shall remain liable under any Assigned Contract to which it is a party to perform all its obligations under that Assigned Contract and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Assigned Contract by reason of this Deed or any Deed of Accession or the exercise by any Secured Party of any rights, powers or remedies under this Deed or any Deed of Accession.

## **12 INSURANCES**

### **12.1 Insurances - representations and warranties**

Each Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date that:

- 12.1.1 each Policy is in full force and effect and on risk, all premiums payable in relation to the Policies have been paid when due and payable, there are no grounds on which any Policy may be declared void or voidable in whole or in part; and
- 12.1.2 its entry into the Policies does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it.

### **12.2 Preservation and enforcement of rights**

Subject to the terms of the Loan Note Instrument, each Chargor shall:

- 12.2.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business. All such insurances must be maintained with a reputable independent insurance company or underwriter;
- 12.2.2 perform all its obligations, pay all premiums and other monies payable and diligently enforce all its rights under the Policies and take all action necessary to keep the Policies in full force and effect and otherwise preserve its rights under the Policies (including by way of legal or arbitration proceedings);
- 12.2.3 inform the Security Trustee immediately if it commences any legal proceeding, or receives notice of the initiation of any legal proceeding, in relation to any Policy or if it becomes aware of any Policy becoming void or voidable in whole or in part;
- 12.2.4 following a request in writing from the Security Trustee, supply the Security Trustee with:
  - (a) a copy of each Policy and of each certificate of insurance and cover note relating to each Policy, certified as being true and correct copies by a director of the relevant Chargor; and
  - (b) any other information and copies of any other documents relating to the Policies which the Security Trustee, or any Receiver, requests; and
- 12.2.5 if required by the Security Trustee following the occurrence of an Event of Default which is continuing use its reasonable endeavours to cause each insurance policy or policies relating to the Security Assets other than any Policy which has been the subject of a notice of assignment pursuant to Clause 15.4 (*Insurance*) to contain (in form and substance reasonably satisfactory to the Security Trustee) an endorsement naming the Security Trustee as sole loss payee in respect of all claims.

### **12.3 Amendments and waivers**

No Chargor shall, without the Security Trustee's prior written consent, amend, supplement or waive or agree to the amendment, supplement or waiver of any Policy or terminate

any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

#### **12.4 Default interest**

If a Chargor defaults in complying with Clause 12.2 (*Preservation and enforcement of rights*), any Secured Party may effect or renew any such insurance on such terms, in such name(s) and in such amounts as it reasonably considers appropriate, and all monies expended by the Secured Parties in doing so shall be reimbursed by the Chargors to the relevant Secured Parties on demand and shall carry interest from the date of payment by the Secured Parties until reimbursed as the rate specified in the Loan Note Instrument.

#### **12.5 Insurance proceeds held on trust**

All monies received under any Policies relating to the Security Assets shall (subject to the rights and claims of any person having prior rights to such monies), be deposited into such account notified by the Security Trustee to the Chargors.

### **13 INTELLECTUAL PROPERTY**

#### **13.1 Intellectual Property - representations and warranties**

Each Chargor represents and warrants to the Security Trustee on each date up until the Discharge Date that it:

13.1.1 is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all of the Intellectual Property which is required by it in order to carry on its business as it is being conducted and has taken all formal and procedural actions (including but not limited to payment of fees) required to maintain such Intellectual Property; and

13.1.2 does not, in carrying on its business, infringe any Intellectual Property of any third party in any material respect.

#### **13.2 Intellectual Property – positive undertakings**

Each Chargor shall:

13.2.1 do all such acts and things as are necessary to preserve and maintain the existence and validity of its Intellectual Property; and

13.2.2 use all reasonable endeavours to prevent any theft, loss, destructions, infringement, unauthorised access, copying and use of its Intellectual Property and immediately after becoming aware of any such action, inform the Security Trustee of such action and (at its own cost and without prejudice to any other steps it may consider appropriate in the circumstances) take such steps as the Security Trustee may from time to time direct.

#### **13.3 Intellectual Property – negative undertakings**

No Chargor shall:

13.3.1 abandon, cancel or allow any of its Intellectual Property to become void, lapse or to become vulnerable to attack, whether for non-use or otherwise;



- 13.3.2 apply to amend the specification or drawing of any of the letters patent or registered trade or service marks forming part of its Intellectual Property or enter any conditions, restrictions or disclaimers in relation to any of its registered Intellectual Property;
- 13.3.3 use or knowingly permit to be used any of its Intellectual Property in a way (or otherwise do or refrain from doing anything) which may have a material adverse effect on the value of its Intellectual Property;
- 13.3.4 use or permit its Intellectual Property to be used in a way, or take any step or omit to take any step in respect of its Intellectual Property, which may materially and adversely affect the existence or value of the Intellectual Property or impair its right to use such property; or
- 13.3.5 discontinue the use of the Intellectual Property.

#### 13.4 Preservation/protection

Each Chargor must promptly, if requested to do so by the Security Trustee, sign or procure the signature of, and comply with all instructions of the Security Trustee in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or any Deed of Accession or the restrictions imposed by this Deed or any Deed of Accession.

#### 14 THE LAND REGISTRY

- 14.1 Each Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [REDACTED] in favour of BGF Investment Management Limited referred to in the charges register or [*conveyancer*] or [*specify appropriate details*]."

- 14.2 Each Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The noteholders under a loan note instrument dated [REDACTED] are under an obligation (subject to the terms of that loan note instrument) to make further advances and the debenture referred to in the charges register dated [REDACTED] in favour of BGF Investment Management Limited secures those further advances."

- 14.3 No Chargor shall allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property nor will it, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.
- 14.4 No Chargor shall permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property.

14.5 Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Security created by or pursuant to this Deed or by or pursuant to any Deed of Accession.

14.6 Each Chargor authorises the Security Trustee and/or any solicitors or other agent acting on behalf of the Security Trustee to complete, execute and deliver on each Chargor's behalf (but at the cost of each Chargor) to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 14.

## **15 NOTICES OF ASSIGNMENT AND CHARGE**

### **15.1 Rental Income**

15.1.1 Each Chargor shall promptly at the request of the Security Trustee and upon the occurrence of an Event of Default which is continuing, give notice substantially in the form of Part 1 of Schedule 5 (*Form of Notice to Tenant*) addressed to each tenant to such Occupational Lease confirming that the relevant Chargor has assigned all its right, title and interest in the Rental Income and other monies payable under that Occupational Lease.

15.1.2 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 of Schedule 5 (*Form of Acknowledgement from Tenant*) within 7 days of the date of such notice.

### **15.2 Accounts**

15.2.1 Each Chargor shall promptly at the request of the Security Trustee and upon the occurrence of an Event of Default which is continuing, serve a notice of charge in the form of Part 1 of Schedule 6 (*Form of Notice to Account Bank*) on each Account Bank.

15.2.2 Each Chargor shall use all reasonable endeavours to procure that each Account Bank acknowledges any notice by signing and returning to the Security Trustee a letter of acknowledgement substantially in the form of Part 2 of Schedule 6 (*Form of Acknowledgement from Account Bank*) within 7 days of the date of such notice. Any instructions contained in a notice of charge sent by a Chargor pursuant to this Clause may not be revoked or amended without the Security Trustee's prior written consent.

### **15.3 Contracts**

15.3.1 Each Chargor shall promptly at the request of the Security Trustee and upon the occurrence of an Event of Default which is continuing, serve a notice, substantially in the form of Part 1 of Schedule 7 (*Form of Notice to Counterparty*), on each counterparty to each such Contract to which it is a party.

15.3.2 Each Chargor shall use all reasonable endeavours to procure that each such counterparty acknowledges that notice by signing and returning to the Security Trustee a notice substantially in the form of Part 2 of Schedule 7 (*Form of Acknowledgement from Counterparty*) within 7 days of the date of such notice. Any instructions contained in a notice sent to a counterparty pursuant to this

Clause may not be revoked or amended without the Security Trustee's prior written consent.

#### **15.4 Insurance**

15.4.1 Each Chargor shall promptly at the request of the Security Trustee and upon the occurrence of an Event of Default which is continuing, serve a notice, substantially in the form of Part 1 of Schedule 8 (*Form of Notice for Insurer*), on each other party to each Policy.

15.4.2 Each Chargor shall use all reasonable endeavours to procure that each such party acknowledges that notice by signing and returning to the Security Trustee a letter of undertaking substantially in the form of Part 2 of Schedule 8 (*Form of Acknowledgement from Insurer*) within 7 days of the date of such notice. Any instructions contained in any notice sent by a Chargor pursuant to this Clause may not be revoked or amended without the Security Trustee's prior written consent.

#### **16 ACCESSION**

The Original Chargor shall procure that each member of the Group shall accede to this Deed by executing and delivering to the Security Trustee, within 7 days of its formation or acquisition by a member of the Group, a Deed of Accession thereto.

#### **17 POWERS, PROTECTION AND DISCRETIONS OF THE SECURITY TRUSTEE**

##### **17.1 Rights and powers etc**

All the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed or by any Deed of Accession on a Receiver may, after the Security constituted by this Deed or by Deed of Accession has become enforceable, be exercised by the Security Trustee in respect of the Security Assets whether or not a Receiver has been or is later appointed.

##### **17.2 Protections**

All the protections and immunities which this Deed provides for a Receiver shall be available to the Security Trustee when the Security Trustee is exercising the rights, powers, authorities and discretions conferred on the Security Trustee by this Deed.

##### **17.3 Curing of breaches and covenants**

If a Chargor fails to comply with any provision of this Deed or any Deed of Accession, then that Chargor shall allow and hereby authorises the Security Trustee or its nominee to do all such acts and things and take such action on behalf of that Chargor as may be necessary to secure compliance with that provision without becoming liable as a mortgagee in possession.

##### **17.4 Indemnity**

Each Chargor shall indemnify the Security Trustee against all losses, costs, charges and expenses incurred by the Security Trustee as a result of the failure by any Chargor to comply with any provision of this Deed or any provision of any Deed of Accession and in connection with the exercise by the Security Trustee or its nominee of their respective rights contained in Clause 17.3 (*Curing of breaches and covenants*).

#### 17.5 Expenses so incurred

All monies expended and all costs incurred by the Security Trustee or its nominee in carrying out any of their respective powers and discretions referred to in Clause 17.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Security Trustee or its nominee, shall be secured by this Security and shall be payable on demand by the Chargors to the Security Trustee.

### 18 ENFORCEMENT OF SECURITY

#### 18.1 Timing

The Security created by this Deed and the Security created by each Deed of Accession will be immediately enforceable at any time after the occurrence of:

- 18.1.1 an Event of Default which is continuing; or
- 18.1.2 a request being made by a Chargor to the Security Trustee that it exercise any of its powers under this Deed (or under any Deed of Accession) in respect of that Chargor.

#### 18.2 Enforcement

After the Security constituted by this Deed (or by any Deed of Accession) has become enforceable, the Security Trustee may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

- 18.2.1 enforce all or any part of that Security (at any time and in any manner it sees fit);
- 18.2.2 appoint a Receiver to all or any part of the Security Assets;
- 18.2.3 appoint one or more persons as an Administrator of any or all of the Chargors in accordance with Schedule B1 of the Insolvency Act;
- 18.2.4 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);
- 18.2.5 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into the name of its nominee;
- 18.2.6 exercise in relation to any Security Asset all the powers, authorities and things which it would be capable of exercising if it were the absolute legal and beneficial owner of that Security Asset;
- 18.2.7 whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;
- 18.2.8 subject to Clause 4.12.3, by written notice to the relevant Chargor convert the floating charge created by Clause 4.11 into a fixed charge as regards any assets specified in that notice;

- 18.2.9 may exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets;
- 18.2.10 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
- (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement;
  - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the relevant Chargor may exercise (or, but for this Deed or any Deed of Accession) might exercise; and
  - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 21.1 (*Order of application*).

### 18.3 Statutory powers

- 18.3.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- 18.3.2 The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed. The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by any Deed of Accession shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of the relevant Deed of Accession.
- 18.3.3 The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the Security constituted by this Deed or by any Deed of Accession has become enforceable and such powers are extended by this Deed so as to authorise the Security Trustee to make any lease or agreements for lease, accept surrenders of leases and grant options on such terms as the Security Trustee may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).
- 18.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.
- 18.3.5 No Chargor shall have, at any time up until the Discharge Date, the power pursuant to section 99 of the LPA to make any Occupational Lease in respect of

any Real Property without the prior written consent of the Security Trustee unless permitted pursuant to the terms of the Loan Note Instrument.

- 18.3.6 The restrictions contained in section 93 and section 103 of the LPA shall not apply to the Security constituted by this Deed nor to the Security constituted by any Deed of Accession.
- 18.3.7 Each Receiver and the Security Trustee is entitled to all the rights, powers and privileges and immunities conferred by the LPA and the Insolvency Act on mortgagees and Receivers.
- 18.3.8 Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

#### **18.4 Access on enforcement**

- 18.4.1 At any time after the Security constituted by this Deed or by any Deed of Accession has become enforceable, each Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Security Asset and for that purpose to enter on any premises where a Security Asset is situated (or where any Secured Party reasonably believes a Security Asset to be situated) without incurring any liability to any Chargor for, or by any reason of, that entry.
- 18.4.2 At all times, each Chargor must use its best endeavours to allow any Secured Party access to any premises for the purpose of Clause 18.4.1 (obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

### **19 RECEIVER**

#### **19.1 Appointment of Receiver**

- 19.1.1 After the Security constituted by this Deed or by any Deed of Accession has become enforceable the Security Trustee may without prior notice, appoint:
  - (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
  - (b) two or more Receivers of separate parts of the Security Assets; or
  - (c) appoint another person(s) as an additional Receiver(s).
- 19.1.2 Any appointment under Clause 19.1.1 above may be by deed, under seal or in writing under its hand.
- 19.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed nor to any Deed of Accession.

- 19.1.4 At any time, if so requested by a Chargor, without further notice, the Security Trustee may appoint a Receiver to all or any part of the Security Assets of that Chargor as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

## 19.2 Statutory powers of appointment

The powers of appointment of a Receiver pursuant to Clause 19.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed), the Insolvency Act or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.

## 19.3 Removal

The Security Trustee may from time to time by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver who has been removed for any reason.

## 19.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) and (8) of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

## 19.5 Agent of the Chargors

- 19.5.1 A Receiver will be deemed to be the agent of the Chargors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA. The Chargors are solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

- 19.5.2 No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

- 19.5.3 No Receiver shall at any time act as agent for any other Secured Party.

## 20 POWERS OF RECEIVER

### 20.1 Statutory powers

- 20.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of a Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed and in any Deed of Accession; and

- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver (or a receiver and manager) appointed under the LPA or the Insolvency Act.

20.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed or under any Deed of Accession individually (and to the exclusion of any other Receiver) or together with any other person appointed or substituted as a Receiver.

## 20.2 Additional powers

In addition to those powers, rights and discretions set out in sub-Clauses 20.1.1(a) and 20.1.1(b) above, a Receiver shall have the following rights, powers and discretions:

### 20.2.1 Possession

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

### 20.2.2 Carry on business

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of a Chargor as he in his discretion may think fit.

### 20.2.3 Protection of assets

A Receiver may:

- (a) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;
- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on any Real Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

### 20.2.4 Employees

- (a) A Receiver may appoint and discharge managers, directors and secretaries for the purposes of this Deed and any Deed of Accession upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by a Chargor.

### 20.2.5 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.



- (b) The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Chargor.

#### 20.2.6 **Let, hire or lease**

A Receiver may:

- (a) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- (c) exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

#### 20.2.7 **Registration**

A Receiver may use a Chargor's name to effect any registration or election for tax or other purposes.

#### 20.2.8 **Insurances**

A Receiver may effect, review or vary insurances.

#### 20.2.9 **Borrowing**

A Receiver may for the purposes of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed (or any Deed of Accession) or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or by Deed of Accession or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

#### 20.2.10 **Advance credit**

A Receiver may advance credit, in the ordinary course of a Chargor's business, to any person.

#### 20.2.11 **Make calls**

A Receiver may make, or require the directors of any Chargor to make such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of the relevant Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

#### 20.2.12 **Compromise, legal action and mediation**

A Receiver may:

- (a) settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;
- (b) bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and
- (c) refer to mediation any question in relation to any Security Asset that he thinks fit.

#### 20.2.13 **Subsidiaries**

A Receiver may:

- (a) promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and
- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

#### 20.2.14 **Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

#### 20.2.15 **Environment**

A Receiver may conduct and complete all investigations studies, sampling and testing and all remedial, removal and other actions, whether required under

Environmental Law or by the Security Trustee or otherwise and comply with all lawful orders and directives relating to Environmental Law.

**20.2.16 Mediation**

A Receiver may refer to mediation any question in relation to any Security Asset that he thinks fit.

**20.2.17 Delegation**

A Receiver may delegate his power in accordance with this Deed.

**20.2.18 Lending**

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

**20.2.19 Other powers**

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Security Trustee or any Receiver under or by virtue of this Deed or any Deed of Accession or by law;
- (b) exercise every power which the Receiver in its absolute discretion considers desirable for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of the Security created by this Deed or by Deed of Accession or the realisation of any Security Asset;
- (c) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset;
- (d) do any other acts and things that it lawfully may do as agent for a Chargor; and
- (e) use the name of any Chargor for any of the purposes set out in this Clause 20.

**20.3 Powers to be additional**

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

**20.4 Powers to be exercisable by the Security Trustee**

20.4.1 The Security Trustee may exercise all powers granted by the Receiver by this Deed whether as attorney of a Chargor or otherwise.

20.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Trustee as provided in Clause 18.3 (*Statutory powers*) or otherwise and so that, inter alia, such powers are and

remain exercisable by the Security Trustee in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Trustee is from time to time subsisting.

## **20.5 Conflict**

If and to the extent that there is any ambiguity or conflict between:

20.5.1 the powers conferred on the Receiver by the LPA and those powers listed in Schedule 1 of the Insolvency Act; and

20.5.2 the powers conferred by this Clause 20,

the powers conferred by this Clause 20 shall prevail.

## **21 APPLICATION OF PROCEEDS**

### **21.1 Order of application**

Subject to Clause 21.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Trustee pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 21, the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 21), in the following order:

21.1.1 in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;

21.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed;

21.1.3 in payment to the Security Trustee for application in accordance with the Loan Note Instrument; and

21.1.4 the balance (if any) will be applied as required by law.

### **21.2 Prospective liabilities**

Following enforcement of any of the Transaction Security the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under Clause 21.1 (*Order of application*) in respect of:

21.2.1 any sum due to the Security Trustee, any Receiver or any Delegate; and

21.2.2 any part of the Secured Liabilities,

21.2.3 any sum that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

### **21.3 Investment of proceeds**

Prior to the application of the proceeds of the Recoveries in accordance with Clause 21.1 (*Order of application*) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Trustee's discretion in accordance with the provisions of this Clause 21.3.

### **21.4 Currency Conversion**

21.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Trustee may convert any monies received or recovered by the Security Trustee from one currency to another, at a market rate of exchange.

21.4.2 The obligations of any Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

### **21.5 Permitted Deductions**

The Security Trustee shall be entitled, in its discretion:

21.5.1 to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed or under any Deed of Accession; and

21.5.2 to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed and under any Deed of Accession).

## **22 PROTECTION OF PURCHASERS**

22.1 No purchaser or other person dealing with any Secured Party shall be bound to enquire:

22.1.1 whether the Secured Liabilities have become due and/or payable;

22.1.2 whether any event has happened upon which any of the powers conferred by this Deed or by any Deed of Accession may have arisen or be exercisable or is being properly exercised;

22.1.3 whether any money remains due under the Finance Documents; or

22.1.4 how any money paid to that Secured Party is to be applied.

22.2 No purchaser dealing with any Secured Party or the Security constituted by this Deed or by any Deed of Accession is to be concerned to enquire whether any power exercised or purported to be exercised by the Secured Parties has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Secured Parties. Any such sale or dealing is deemed to be within the powers conferred by this Deed or by any Deed of

Accession and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

- 22.3 The receipt of any Secured Party shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, any Secured Party may do for such consideration, in such manner and on such terms as it thinks fit.

## **23 LIABILITY OF SECURITY TRUSTEE AND RECEIVER**

### **23.1 Liability**

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:

23.1.1 taking possession of or realising all or any part of the Security Assets; or

23.1.2 taking any action permitted by this Deed or by any Deed of Accession,

be liable to any Chargor or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, default, omission or misconduct of the Security Trustee, any Receiver or their respective Delegates and sub-delegates in relation to the Security Assets or otherwise.

### **23.2 Exoneration**

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates shall have any duty:

23.2.1 to perform any Chargor's obligations or exercise any rights in relation to any Security Asset;

23.2.2 to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;

23.2.3 to take up any offer in relation to any Security Asset;

23.2.4 to investigate, appraise or report on the status, propriety or validity of the acts of the Receiver or Security Trustee;

23.2.5 to give any notification to anyone in relation to any Security Asset; or

23.2.6 to take any action to enforce any other person's obligations as regards any Security Asset.

### **23.3 Protection of the Receiver**

The Receiver shall be entitled to all the rights, powers, privileges and immunities which the LPA and/or the Insolvency Act confer on mortgagees and receivers duly appointed under the LPA.

## **24 POWER OF ATTORNEY**

24.1 Each Chargor, by way of security for the performance of its obligations under this Deed, irrevocably and severally appoints the Security Trustee, each Receiver and each of their respective Delegates and sub-delegates to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to:

24.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;

24.1.2 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required for:

(a) carrying out any obligation imposed on any Chargor by this Deed or any agreement binding on any Chargor to which the Security Trustee is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Security Assets); and

(b) enabling the Security Trustee and any Receiver to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by any Deed of Accession or by law (including, after the Security constituted by this Deed or by any Deed of Accession has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets).

24.1.3 Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers under this Deed.

24.1.4 Each Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 24) with each Receiver appointed pursuant to this Deed or pursuant to any Deed of Accession, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of the Chargors.

## **25 DELEGATION AND DISCRETION**

### **25.1 Delegation**

25.1.1 The Security Trustee and/or any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are conferred and are exercisable by it under this Deed or under any Deed of Accession to any person or persons on such terms and conditions as it sees fit.

25.1.2 No such delegation pursuant to this Clause 25 shall preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or a Receiver itself or any subsequent delegation or revocation of such power, authority or discretion.

25.1.3 Neither the Security Trustee nor any Receiver will have any liability to any Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

## **25.2 Discretion**

Any right or power which may be exercised or any determination which may be made under this Deed or under any Deed of Accession by the Security Trustee or any Receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

## **26 EFFECTIVENESS OF SECURITY**

### **26.1 Continuing Security**

The Security constituted by this Deed and the Security constituted by any Deed of Accession shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

### **26.2 Cumulative rights**

The Security created by or pursuant to this Deed or pursuant to any Deed of Accession and the rights, powers and remedies of the Security Trustee under this Deed and under any Deed of Accession shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Security Trustee may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Security Trustee shall not be obliged before exercising any such rights, powers or remedies:

26.2.1 to make any demand of, or take any action or obtain any judgment in any court against, a Chargor;

26.2.2 to make or file any claim or proof in winding-up or dissolution of a Chargor; or

26.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

### **26.3 No merger of Security**

No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Security Assets shall merge with the Security constituted by this Deed or the Security constituted by any Deed of Accession.

### **26.4 No prejudice**

The Security created by or pursuant to this Deed nor the Security created by or pursuant to any Deed of Accession shall be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Trustee or by any variation of the terms of the trust upon which the Security Trustee holds the Security created by or pursuant to this Deed or created by or pursuant to any Deed of Accession or by any other thing which might otherwise prejudice that Security.

### **26.5 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under a Finance Document shall operate as a waiver of any such right or



remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

#### **26.6 Partial invalidity**

- 26.6.1 If, at any time, any provision of this Deed or any provision of any Deed of Accession is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.
- 26.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed or by or pursuant to any Deed of Accession is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted by this Deed or the Security constituted by any Deed of Accession.

#### **26.7 Tacking**

- 26.7.1 For the purposes of section 94(1)(c) of the LPA and section 49(3) of the Land Registration Act 2002, the Security Trustee confirms on behalf of the Secured Parties that the Secured Parties will comply with their obligations to make further advances under the Loan Note Instrument subject to the terms of the Finance Documents.
- 26.7.2 Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the charges register of any registered land forming part of the Real Property.

#### **26.8 Further assurance**

- 26.8.1 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.
- 26.8.2 Each Chargor shall promptly, at its own cost, do whatever the Security Trustee reasonably requires:
- (a) to create, perfect and/or protect the Security created or intended be created by this Deed and the Security created or intended to be created by each Deed of Accession;
  - (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed and the Security created or intended to be created by each Deed of Accession;
  - (c) to facilitate the exercise of any rights, powers and remedies vested in the Security Trustee or any Receiver (or their respective Delegates) by this Deed and/or by each Deed of Accession and/or by the law; and/or

(d) to facilitate the realisation of the Security Assets.

26.8.3 In order to satisfy its obligations under sub-clauses 26.8.1 and 26.8.2 above, each Chargor shall immediately, upon the request of the Security Trustee, execute any transfer, conveyance, mortgage, charge, assignment or assurance over all or any of the assets intended to constitute the Security Assets (whether in favour of the Security Trustee or its nominee or otherwise) and make any registration or notarisation and give any notice, instructions, order or direction in respect of the Security Assets.

## 26.9 Waiver of defences

Neither the obligations of each Chargor under this Deed nor the Security constituted by this Deed nor the obligations of each Chargor under each Deed of Accession nor the Security constituted by each Deed of Accession will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Deed or any of its obligations under any Deed of Accession (without limitation and whether or not known to it or any Secured Party) including:

- 26.9.1 any time, waiver or consent granted to, or composition with, any Chargor or any other person;
- 26.9.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- 26.9.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 26.9.4 any incapacity or lack of power, authority, or legal personality of a dissolution or change in the members or status of any Chargor or any other person;
- 26.9.5 any amendment, novation, supplement, extension (whether or maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not onerous) or replacement of any Finance Document or any other document or Security or of the Secured Liabilities including without limitation any change in the purpose of, any extension of or any variation or increase in any facility or the addition of any new facility under any Finance Document or other document or Security;
- 26.9.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; or
- 26.9.7 any insolvency or similar proceedings relating to a Chargor or any other person.

## 26.10 Chargor Intent

Without prejudice to the generality of Clause 26.9 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed and the Security created by each Deed of Accession shall extend from time to time to any (however

fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### **26.11 Immediate recourse**

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

#### **26.12 Appropriations**

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, the Security Trustee (or any trustee or agent on its behalf) may:

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

#### **26.13 Deferral of Chargors' rights**

- 26.13.1 Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Trustee otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed or under any Deed of Accession:
  - (a) to be indemnified by any other Chargor;
  - (b) to claim any contribution from any other Chargor;
  - (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Security Trustee;
  - (d) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which any

Chargor has given a guarantee, undertaking or indemnity under this Deed or under any Deed of Accession;

- (e) to exercise any right of set-off against any Chargor; and/or
- (f) to claim or prove as a creditor of any Chargor in competition with the Security Trustee.

26.13.2 If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Security Trustee by the Chargers under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Secured Parties or as the Secured Parties may direct.

## **27 PRIOR SECURITY INTERESTS**

27.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed or under any Deed of Accession, the Security Trustee may redeem such prior Security or procure the transfer of such Security to itself.

27.2 The Security Trustee may settle and agree the accounts of the holder of the prior Security and any accounts so settled and agreed will (in the absence of manifest error) be conclusive and binding on the Chargor.

27.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargers to the Security Trustee on demand together with accrued interest on such sums as well as before judgment at the rate from time to time applicable to unpaid sums specified in the Loan Note Instrument from the time or respective times of the same having been paid or incurred until payment of such sums (as well as after as before judgment).

## **28 SUBSEQUENT SECURITY INTERESTS**

If the Security Trustee receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security Asset or other interest other than as permitted by the Loan Note Instrument affecting the Security Assets, it may open a new account for the relevant Chargor in its books. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Security Trustee gives express written notice to the contrary to the relevant Chargor, all payments made by that Chargor to the Security Trustee will, as from that time, be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

## **29 SUSPENSE ACCOUNT**

### **29.1 Contingencies**

If the Security constituted by this Deed or the Security constituted by any Deed of Accession is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the

proceeds of any recoveries effected by it into a suspense account in which event, Clause 29.2 (*Suspense account*) shall apply to such proceeds.

## **29.2 Suspense account**

All monies received, recovered or realised by the Security Trustee under this Deed and under each Deed of Accession (including the proceeds of any conversion of currency) may in the absolute discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

## **30 RELEASE OF SECURITY**

30.1 Upon the occurrence of the Discharge Date and subject always to Clause 30.2, the Security Trustee shall, at the request and cost of the Chargors, release and cancel the Security constituted by this Deed and the Security constituted by each Deed of Accession and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed or pursuant to a Deed of Accession, in each case without recourse to, or any representation or warranty by, Security Trustee or any of its Delegates.

30.2 Following any discharge of a Chargor made by the Security Trustee in reliance on any payment or security the Security Trustee may retain the Security constituted by this Deed and the Security constituted by each Deed of Accession (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the relevant Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Security Trustee may retain the Security constituted by this Deed and the Security constituted by each Deed of Accession for as long as it sees fit.

## **31 SET-OFF**

The Security Trustee may set off any matured obligation due from any Chargor under this Deed and under any Deed of Accession (to the extent beneficially owned by the Security Trustee) against any matured obligation owed by the Security Trustee to the relevant Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

## **32 FINANCIAL COLLATERAL**

32.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed and any Deed of Accession constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Trustee shall, upon the Security created by this Deed or by any Deed of Accession becoming enforceable pursuant to Clause 18.2 (*Enforcement*) and to the extent permitted by the Regulations, have the right to appropriate all or any part of the Security Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Trustee may in its absolute discretion determine.

32.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 32.1 above shall be:

32.2.1 in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;

32.2.2 in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Trustee could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at the spot rate of exchange available to the Security Trustee for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date; or

32.2.3 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, independent valuation or as determined by such other method as the Security Trustee may select.

32.3 The Parties agree that the method of valuation provided for in this Clause 32 (*Financial collateral*) is commercially reasonable for the purposes of the Regulations.

### 33 CURRENCY

#### 33.1 Relevant Currency

Each Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

#### 33.2 Receipt in wrong currency

If at any time the Security Trustee receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Security Trustee of the amount in the Relevant Currency which the Security Trustee is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at the spot rate of exchange available to the Security Trustee for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date.

#### 33.3 Currency indemnity

33.3.1 If any sum due from a Chargor under this Deed or under any Deed of Accession (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "First Currency") in which the Sum is payable into another currency (the "Second Currency") for the purposes of:

- (a) making or filing a claim against any Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargors shall, as an independent obligation, within three Business Days of demand, indemnify the Security Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the

rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of receipt of that Sum.

- 33.3.2 Each Chargor waives any right it may have in any jurisdiction to pay any amount due under this Deed or under any Deed of Accession in a currency or currency unit other than that in which it is expressed to be payable.

## **34 PAYMENTS TO BE MADE WITHOUT DEDUCTION**

### **34.1 No deductions**

All sums payable by a Chargor under this Deed and under each Deed of Accession shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Security Trustee may designate. All such payments shall be made in full without set-off of any sum owing by the Security Trustee to any Chargor or counterclaim and free and clear of any deductions of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

### **34.2 Grossing-up**

If at any time a Chargor is required by law to make any deduction or withholding from any payment due from that Chargor to the Security Trustee, that Chargor shall simultaneously pay to the Security Trustee whatever additional amount is necessary to ensure that the Security Trustee receives a net sum equal to the payment it would have received had no deduction or withholding been made.

## **35 CERTIFICATES AND DETERMINATIONS**

A certificate or determination by the Security Trustee or a Receiver of a rate or an amount under this Deed or under any Deed of Accession is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **36 ASSIGNMENT AND TRANSFER**

### **36.1 Chargors' consent to assignment/transfer by Security Trustee**

Each Chargor consents to the assignment and/or transfer by the Security Trustee of any one or more of its rights and/or obligations under this Deed and under any Deed of Accession. The Security Trustee may, without consulting with or obtaining consent from a Chargor at any time charge, assign or otherwise create Security in or over its rights, benefits and interests under this Deed or any Deed of Accession to secure any obligations of any Secured Party.

### **36.2 No assignment/transfer by a Chargor**

No Chargor may assign or transfer any one or more of its rights and/or obligations under this Deed nor any one or more of its rights and/or obligations under any Deed of Accession.

### **36.3 Confidentiality**

The Security Trustee shall be entitled to disclose any information concerning the Chargors and this Deed and any Deed of Accession as it considers appropriate to:

- 36.3.1 any person permitted in accordance with the Loan Note Instrument or the Investment Agreement;
- 36.3.2 any of its affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives as the Security Trustee shall consider appropriate;
- 36.3.3 any person proposing to take an assignment and/or transfer from the Security Trustee;
- 36.3.4 any person proposing to enter into contractual relations with the Security Trustee with respect to this Deed or any Deed of Accession; and
- 36.3.5 any person to whom information may be required to be disclosed by an applicable law.

### **37 INDEMNITY TO THE SECURITY TRUSTEE**

- 37.1 Each Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:
  - 37.1.1 any failure by any Chargor to comply with its obligations under Clause 38 (*Costs and expenses*);
  - 37.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
  - 37.1.3 the taking, holding, perfection, preservation, protection or enforcement of the Security constituted under this Deed and the taking, holding, perfection, preservation, protection or enforcement of the Security constituted under any Deed of Accession;
  - 37.1.4 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee, each Receiver and their Delegate and sub-delegates by this Deed or by any Deed of Accession or by law;
  - 37.1.5 any default by a Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed or in any Deed of Accession;
  - 37.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or
  - 37.1.7 acting as Security Trustee, Receiver or Delegate under this Deed or under any Deed of Accession or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or Delegate's gross negligence or wilful misconduct).

### **38 COSTS AND EXPENSES**

#### **38.1 Transaction expenses**

Each Chargor shall promptly on demand pay the Security Trustee the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to



in this Deed (including, for the avoidance of doubt, any Deed of Accession) and the Security constituted by this Deed and any Deed of Accession.

**38.2 Amendment costs**

If a Chargor requests an amendment, waiver or consent in connection with this Deed or in connection with any Deed of Accession, the Chargors shall, within three Business Days of demand, reimburse the Security Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Secured Parties in responding to, evaluating, negotiating or complying with that request or requirement.

**38.3 Enforcement and preservation costs**

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed or under any Deed of Accession and any proceedings instituted by or against any Secured Party as a consequence of taking or holding the Security constituted by this Deed or by any Deed of Accession or enforcing these rights or any rights under any Deed of Accession.

**39 CHARGORS' AGENT**

39.1 Each Chargor (other than the Original Chargor) by its execution of this Deed or a Deed of Accession irrevocably appoints the Original Chargor to act on its behalf as its agent in relation to any Deed of Accession, and irrevocably authorises the Original Chargor to execute any Deed of Accession on its behalf. Each Chargor shall be bound as though each Chargor itself had executed that Deed of Accession.

39.2 Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Chargors' Agent under any Deed of Accession on behalf of another Chargor or in connection with any Deed of Accession (whether or not known to any other Chargor and whether occurring before or after such other Chargor became a Chargor under any Deed of Accession) shall be binding for all purposes on that Chargor as if that Chargor had expressly made, given or concurred with it.

39.3 The respective liabilities of each of the Chargors under a Deed of Accession shall not in any way be affected by:

39.3.1 any irregularity in any act done by the Original Chargor as agent for any Chargor, or by any failure of the Original Chargor to act;

39.3.2 the Original Chargor acting or purporting to act in any respect outside any authority conferred on it by any Chargor; or

39.3.3 the failure by or inability of the Original Chargor to inform any Chargor or receipt by it of any notification under a Deed of Accession.

**40 MISCELLANEOUS**

**40.1 Joint and several liability**

Unless expressly provided otherwise, the Chargors shall be jointly and severally liable for their obligations under this Deed and under any Deed of Accession to which more than one Additional Obligor is a party.

#### **40.2 Variations**

No variation of the terms of this Deed nor any Deed of Accession shall be valid unless such variation is in writing and signed by each Chargor and the Security Trustee.

#### **40.3 Third party rights**

Other than any Secured Party a person who is not a Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

#### **40.4 Perpetuity period**

The trusts created by this Deed and by each Deed of Accession have a perpetuity period of 125 years.

#### **40.5 Counterparts**

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

### **41 NOTICES**

#### **41.1 Communications in writing**

Any communication to be made under or in connection with this Deed or any Deed of Accession shall be made in writing and, unless otherwise stated, may be made by letter.

#### **41.2 Addresses**

The address (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 or any Deed of Accession is:

41.2.1 in the case of the Security Trustee, that identified by its name below, or any substitute address;

41.2.2 in the case of a Chargor, its registered office address in the United Kingdom for the time being, and the department or officer identified with its name below; or

41.2.3 department or officer as the Security Trustee may notify to the Chargors by not less than five Business Days' notice.

#### **41.3 Delivery**

41.3.1 Any communication or document made or delivered by the Security Trustee to a Chargor under or in connection with this Deed or any Deed of Accession shall only be effective if sent in pre-paid first class envelope addressed to the address specified in Clause 41.2 above and shall be deemed to have been delivered on the day two Business Days following the day on which it is posted or, where applicable, on the day (or, if not a Business Day on the next following Business Day) on which it is left at the address of the relevant Chargor and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly stamped, addressed and posted.

41.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer certified in Clause 41.2 (*Addresses*) (or any substitute department or officer as the Security Trustee will specify for this purpose).

41.3.3 Any communication or document which becomes effective, in accordance with Clauses 41.3.1 and 41.3.2 above after 5.00pm in the place of receipt shall be deemed to only become effective on the following day.

#### 41.4 English language

41.4.1 Any notice given under or in connection with this Deed or any Deed of Accession must be in English.

41.4.2 All other documents provided under or in connection with this Deed or under or in connection with any Deed of Accession must be:

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### 42 GOVERNING LAW AND JURISDICTION

#### 42.1 Governing law

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

#### 42.2 Jurisdiction of English courts

42.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

42.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

42.2.3 This Clause 42.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

**This Deed is executed as a deed by the Original Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.**

**SCHEDULE 1  
- MORTGAGED PROPERTY**

**Part 1**

**Registered Land**

None as at the date of this  
Deed.

**Part 2**

**Unregistered Land**

None as at the date of this Deed.

**SCHEDULE 2  
- CONTRACTS**

None specified as at the date of this Deed.

**SCHEDULE 3  
SHARES**

<b>Chargor</b>	<b>Name of Company</b>	<b>Description of shares (class and nominal value)</b>	<b>Amount of shares</b>
Original Chargor	Oliver Sweeney Trading Limited (company number 06899027)	Ordinary A shares of £0.01 each	501000
Original Chargor	Oliver Sweeney Holdings Limited (company number 06452150)	Ordinary shares of £1.00 each	55

**SCHEDULE 4**  
**- FORM OF LEGAL MORTGAGE**

THIS DEED is dated [ ] between:

- (1) [INSERT NAME OF CHARGOR], a company incorporated in [insert jurisdiction of incorporation] whose registered office is at [insert registered office address] with company number [insert company number] (the "Chargor");
- (2) [INSERT NAME OF SECURITY TRUSTEE] a company incorporated in [insert jurisdiction of incorporation] whose registered office is at [insert registered office address], with company number [insert company number] (the "Security Trustee").

**BACKGROUND**

The Chargor enters into this Deed in connection with the Loan Note Instrument (as defined below).

IT IS AGREED as follows:

**1 DEFINITIONS**

In this Deed:

<b>Debenture</b>	means the debenture dated [ ] granted by (amongst others) the Chargor in favour of the Security Trustee;
<b>Loan Note Instrument</b>	the loan note instrument dated [ ] issued by the Original Chargor constituting the Loan Notes
<b>Loan Notes</b>	the £1,600,000 fixed rate secured loan notes 2022, 2023 and 2024 of the Chargor, together with any further amount of such loan notes issued under and pursuant to the Loan Note Instrument
<b>Mortgaged Property</b>	means any freehold, leasehold or immovable property specified in the Schedule 1 ( <i>Mortgaged Property</i> ).

**2 CONSTRUCTION**

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clause 2.2.1 to 2.2.9 (inclusive), clause 2.3 to 2.9 (inclusive), clause 2.12 to 2.13, clause 5.1 and 5.2 and clauses 18 to 41 (inclusive) are incorporated into this Deed as if references in those clauses to the Debenture were references to this Deed and if all references in those clauses to Security Assets were references to the Mortgaged Property.

**3 UNDERTAKING TO PAY**

The Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses,

costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

#### 4 SECURITY

##### 4.1 All Security created under this Deed:

4.1.1 is created in favour of the Security Trustee;

4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and

4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Subject to Clause 30 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

4.3 The Chargor charges by way of first legal mortgage all the Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use the Mortgaged Property.

#### 5 APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of BGF Investment Management Limited referred to in the charges register or [**conveyancer**] or [**specify appropriate details**]."

#### 6 FURTHER ADVANCES

The Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The noteholders pursuant to a loan note instrument dated [ ] are under an obligation (subject to the terms of that loan note instrument) to make further advances and the debenture referred to in the charges register dated [ ] in favour of BGF Investment Management Limited secures those further advances."

#### 7 MISCELLANEOUS

Other than the Secured Parties a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.



## 8 COUNTERPARTS

This Deed may be executed in a number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## 9 GOVERNING LAW AND JURISDICTION

### 9.1 Governing law

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

### 9.2 Jurisdiction of English courts

9.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

9.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

9.2.3 This Clause 9.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

**THIS DEED** is executed as a deed by the Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date stated at the beginning of this Deed.

**EXECUTION PAGES TO THE LEGAL MORTGAGE**

**EXECUTED** as a **DEED** by **[•]** acting by a )  
Director in the presence of: )  
 )  
 )

*Director*

**Signature of Witness:**

**Name:**

**Address:**

**Occupation:**

**Notice details**

Address:

Attention:

**SECURITY TRUSTEE**

**EXECUTED** as a **DEED** by **BGF INVESTMENT** )  
**MANAGEMENT LIMITED** acting by a Director in )  
the presence of: )  
 )

*Director*

**Signature of Witness:**

**Name:**

**Address:**

**Occupation:**

**Notice details**

Address:

Attention:

## SCHEDULE TO FORM OF LEGAL MORTGAGE

### Mortgaged Property

#### Part 1

#### Registered Land

County and District/London Borough	Description of Property	Title Number
---------------------------------------	-------------------------	--------------

#### Part 2

#### Unregistered Land

1 **[NAME OF CHARGOR]**

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 **[NAME OF CHARGOR]**

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

**SCHEDULE 5**  
**- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR TENANT**

**Part 1**

**Form of Notice to Tenant**

[On the Letterhead of the Chargor]

To: [The Tenant]  
[Address of Unit]  
Copy to: [ ]  
(as Security Trustee)

Date: [ ]

Dear Sirs

Debenture dated [ ] (the "Debenture") between [, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee")

This letter constitutes notice to you that pursuant to the Debenture we have assigned to the Security Trustee by way of security all our present and future rights under or in connection with the lease between you and us [*insert details of lease*] (the "Lease") and all Related Rights.

In this notice, "Related Rights" means, in respect of the Lease, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Lease, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Lease; and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Lease.

We irrevocably authorise and instruct you to:

- 1 disclose to the Security Trustee without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Lease as the Security Trustee may at any time request;
- 2 deal only with us in relation to the Lease unless you receive written instructions from the Security Trustee to the contrary;
- 3 pay to us all sums from time to time due and payable by you under the Lease [to the Managing Agent][to us], until such time as you receive notice from the Security Trustee instructing you otherwise (the "Instruction Notice") following which you shall comply with all instructions contained in such Instruction Notice or in any subsequent notice or instructions

relating to the Lease or the debts represented by such Lease which you receive from the Security Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and

- 4 send copies of all notices and communications relating to the Lease to the Security Trustee as well as to us.

We further instruct you that upon receipt of notice from the Security Trustee that an Event of Default has occurred:

- 1 all remedies provided for in the Lease or available at law or in equity are exercisable by the Security Trustee (provided that the Security Trustee shall have no greater rights under this notice than we have under the Lease);
- 2 all rights to compel performance of the Lease are exercisable by the Security Trustee although we shall remain liable to perform all of the obligations assumed by us under the Lease; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Lease belong to the Security Trustee to the exclusion of us.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Lease and that neither the Security Trustee, any Receiver nor any of their agents will at any time have any liability to you under the Lease.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Lease, or to terminate the Lease or to allow it to lapse other than where the Lease expires in accordance with its terms and not by reason of default without the prior written consent of the Security Trustee.

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Trustee.

This notice is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to [**identify Security Trustee officer**] at [**insert address details of Security Trustee**] with a copy to us at the above address.

Yours faithfully

.....  
For and on behalf of [**insert details of the chargor**]

**Part 2**

**Form of Acknowledgement from Tenant**

**[On the letterhead of the Tenant]**

To: [Security Trustee] (as Security Trustee)

Copy to: [Chargor]

Date: [ ]

Dear Sirs

**Debenture dated [ ] (the "Debenture") between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee")**

We confirm receipt from the Chargor of a notice dated (the **Notice**) of an assignment, pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with the lease between the Chargor and us *[insert details of lease]* (the **"Lease"**) and all Related Rights (defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Lease in favour of any third party or the creation of any other third party interest in those rights or proceeds and we will notify you promptly should we receive any such notice;
- 3 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Lease;
- 4 we agree that no term of the Lease may be amended, supplemented or waived without your prior written consent; and
- 5 we agree that the Lease may not be terminated without your prior written consent.

This letter is governed by English law.

Yours faithfully

.....  
For and on behalf of ***[Name of Tenant]***

SCHEDULE 6  
FORM OF NOTICE AND ACKNOWLEDGEMENT FOR ACCOUNT BANK

Part 1

Form of Notice to Account Bank

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: [ ]

Copy to: [Security Trustee details]

Date: [ ]

Dear Sirs

Debenture dated [ ] (the "Debenture") between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge) in favour] of the Security Trustee all our present and future rights and interest in and to account number(s) [insert details of accounts charged] in our name (the "Charged Account(s)") together with all money from time to time standing to the credit of that Charged Account(s), all interest accruing in relation to such Charged Account(s) and all Related Rights.

In this notice, "Related Rights" means, in respect of the Charged Account(s), all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Charged Account(s), including sale proceeds and money paid by way of damages, award or judgment made in connection with that Charged Account(s); and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Charged Account(s).

We hereby irrevocably authorise and instruct you to:

- 1 Disclose to the Security Trustee on request to you by the Security Trustee, any information relating to the Charged Account(s) without any reference to, or further authority from, us, including, but not limited to, supplying the Security Trustee with copies of statements if requested by the Security Trustee.
- 2 Operate the Charged Account(s) in accordance with the existing Account Mandate until you have been given notice pursuant to paragraph 2.1 of this Notice:
- 2.1 comply with the written directions of the Security Trustee in relation to the Charged Account(s) following receipt by you of a notice that an Event of Default has occurred ("Default Notice"). For the avoidance of doubt, upon receipt of a Default Notice you should only permit monies to be drawn on or debited to the Charged Account(s) in accordance with the written directions of



the Security Trustee without any enquiry by you as to the justification of such directions or instructions or the validity of them;

- 2.2 debit the Charged Account(s) with your costs and charges in connection with the opening, maintenance and operation of the Charged Account(s) both before and after receipt by you of a Default Notice; and
- 2.3 exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s) up until the time that you receive a Default Notice.
- 3 We hereby agree and confirm that:
  - 3.1 the instructions and authorisations which are contained in this Notice shall remain in full force and effect until revoked or varied with the specific prior written consent of the Security Trustee; and
  - 3.2 any direction, notice or consent that is given or purports to be given for and on behalf of the Security Trustee shall be conclusive evidence for all purposes.
- 4 This Notice shall be governed by and construed in accordance with English law.
- 5 Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Security Trustee officer]** at **[insert address details of Security Trustee]** with a copy to us at the above address.

Yours faithfully

.....  
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Account Bank

[on the letterhead of the Account Bank]

To: [Security Trustee]

Attention: [ ]

Copy to: [Chargor details]

Date: [ ]

Dear Sirs

Debenture dated [ ] (the "Debenture") between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee")

Dear Sirs

- 1 We acknowledge receipt of the notice dated [insert date] from the Chargor (the "Notice") and all terms defined in the Notice shall have the same meaning herein.
- 2 We agree that until receipt by us of written notice from you revoking the arrangements set out in the Notice we will comply with the terms of the Notice to the extent permitted by law.
- 3 Upon receipt of a Default Notice from you, we shall not exercise or seek to assert or exercise any right of combination, consolidation, merger or set off which we may have in respect of any monies standing or accruing to the credit of the Charged Account(s).
- 4 We hereby confirm that we have not received any notice (other than the Notice) that the Chargor has assigned or charged its rights to the sums standing to the credit of the Charged Account(s) or otherwise granted any security or interest over those monies in favour of any third party.
- 5 This acknowledgement shall be governed by and construed in accordance with English law.

Yours faithfully

.....  
for and on behalf of  
[third party bank]

**SCHEDULE 7**  
**- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR COUNTERPARTY**

**Part 1**

**Form of Notice to Counterparty**

**[On the letterhead of the Chargor]**

To: [Contract counterparty]  
Copy to: [Security Trustee details]  
Date: [ ]

Dear Sirs

**Debenture dated [ ] between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee") (the "Debenture")**

This letter constitutes notice to you that pursuant to the Debenture we have assigned to the Security Trustee by way of security all our present and future rights under or in connection with **[insert details of Contract]** (the "**Contract**") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Contract, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Contract, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Contract; and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Contract.

We irrevocably authorise and instruct you to:

- 1 disclose to the Security Trustee without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Contract as the Security Trustee may at any time request;
- 2 deal with us in relation to the Contracts;
- 3 pay to us all sums from time to time due and payable by you under the Contract, until such time as you receive notice from the Security Trustee instructing you otherwise (an "**Instruction Notice**") following which you shall comply with all instructions contained in such Instruction Notice or in any subsequent notice or instructions relating to the Contract or the debts represented by such Contract which you receive from the Security Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and

- 4 send copies of all notices and communications relating to the Contract to the Security Trustee as well as to us.

We further instruct you that upon receipt of notice from the Security Trustee that an Event of Default has occurred:

- 1 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Trustee (provided that the Security Trustee shall have no greater rights under this notice than we have under the Contract);
- 2 all rights to compel performance of the Contract are exercisable by the Security Trustee although the Chargor shall remain liable to perform all of the obligations assumed by it under the Contract; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Contract belong to the Security Trustee to the exclusion of the Chargor.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Contract and that neither the Security Trustee, any Receiver nor any of their agents will at any time have any liability to you under the Contract.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Contract, or to terminate the Contract or to allow it to lapse other than where the Contract expires in accordance with its terms and not by reason of default without the prior written consent of the Security Trustee.

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Trustee.

This notice is shall be governed by and construed in accordance with English law.

Please confirm your agreement to the above by sending the attached acknowledgement to [*identify Security Trustee officer*] at [*insert address details of Security Trustee*], with a copy to us at the above address.

Yours faithfully

.....  
For and on behalf of [*insert details of the chargor*]

## Part 2

### Form of Acknowledgement from Counterparty

[On the letterhead of the Counterparty]

To: [Security Trustee]

[Address]

Copy: [Chargor]

Date: [ ]

Dear Sirs

Debenture dated [ ] between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee") (the "Debenture")

We confirm receipt from the Chargor of a notice dated [ ] (the "Notice") of an assignment, pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with [insert details of Contract] (the "Contract") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights (defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Contract in favour of any third party or the creation of any other third party interest in those rights or proceeds and we will notify you promptly should we receive any such notice;
- 3 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Contract; and
- 4 we agree that no term of the Contract may be amended, supplemented or waived without your prior written consent;
- 5 we agree that the Contract may not be terminated or allowed to lapse [other than where the Contract expires in accordance with its terms and not by reason of default] without your prior written consent.

This acknowledgment shall be governed by and construed in accordance with English law.

Yours faithfully

.....  
For and on behalf of [insert name of counterparty]

**SCHEDULE 8**  
**- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR INSURER**

**Part 1**

**Form of Notice to Insurer**

**[On the letterhead of the Chargor]**

To: [insert name and address of Insurer]  
Copy to: [Security Trustee details]  
Date: [ ]

Dear Sirs

**Debenture dated [ ] between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee") (the "Debenture")**

This letter constitutes notice to you that, pursuant to the Debenture, we have assigned to the Security Trustee by way of security all amounts payable to us under or in connection with the following policies **[Insert description of Insurances]** (the "**Policies**"), all our rights in connection with those amounts and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Policies, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Policies, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Policy; and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Policies.

We irrevocably authorise and instruct you to:

- 1 disclose to the Security Trustee without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Security Trustee may at any time request;
- 2 pay any sums from time to time due and payable by you under the Policies to the Security Trustee [to the following account: **[insert account details]** or] in accordance with any written instructions given to you by the Security Trustee from time to time;
- 3 comply with the terms of any notice or instructions relating to the Policies which you receive from the Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
- 4 send copies of all notices issued under the Policies to the Security Trustee as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Policies and that neither the Security Trustee, any Receiver nor any of their agents nor any other person will have any liability to you under the Policies.

We are not permitted to agree any amendment or supplement to or to waive any term of the Policies or to terminate any Policy without the prior written consent of the Security Trustee.

The instructions in this notice cannot be revoked or amended without the prior written consent of the Security Trustee.

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Security Trustee officer]** at **[insert address details of Security Trustee]** with a copy to us at the above address.

This notice is shall be governed by and construed in accordance with English law.

Yours faithfully

.....  
For and on behalf of **[insert details of the chargor]**

## Part 2

### Form of Acknowledgement from Insurer

[On the letterhead of the Insurer]

To: [Security Trustee]

[Address]

Copy: [Chargor]

Date: [ ]

Dear Sirs

**Debenture dated [ ] between[, amongst others,] [ ] (the "Chargor") and [ ] (the "Security Trustee") (the "Debenture")**

We acknowledge receipt from the Chargor of a notice dated [ ] (the "Notice") of an assignment, pursuant to the terms of the Debenture, of (i) all amounts payable to the Chargor under or in connection with the Policies (as defined in the Notice); (ii) all the Chargor's rights in connection with those amounts; and (iii) all Related Rights, as defined in the Debenture (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to act in accordance with and comply with the terms of the Notice;
- 2 we will not terminate or otherwise allow any of the Policies to lapse without giving you at least 30 days' prior written notice;
- 3 we have not received notice of the creation of any other assignment of or any security over rights or proceeds arising under the Policies in favour of any third party or the creation of any other third party interest in those rights or proceeds;
- 4 we will notify you, the Security Trustee, at least 30 days before the Policy is due to expire, if we have not received the Chargor's renewal instructions in relation to such Policy;
- 5 we agree that no term of the Policies may be amended, supplemented or waived without your prior written consent;
- 6 we agree to notify you if the Chargor breaches the terms of any Policy or otherwise gives us grounds to declare any Policy void or voidable and, where the breach is capable of being remedied, to allow you or your agents to remedy the relevant breach; and
- 7 we have not claimed or exercised, and have no outstanding right to claim or exercise, any right of set-off or counterclaim, or other right, in relation to any sum paid or payable under the Policy.



All terms used in this letter have the same meaning as in the Notice.

This acknowledgment is shall be governed by and construed in accordance with English law.

Yours faithfully

.....  
For and on behalf of  
**[Name of insurance company]**

**SCHEDULE 9  
FORM OF DEED OF ACCESSION**

**THIS DEED** is dated [●]

**BETWEEN:**

- (1) [●] a company incorporated in **[insert jurisdiction of incorporation]** with company number **[insert company number]** whose registered office is at **[insert registered office address]** (the "**Additional Chargor**");
- (2) **MCFL HOLDINGS LIMITED** a company incorporated in England and Wales with company number 10050579, whose registered office is at Block B, Imperial Works, Perren Street, London NW5 3ED (as "**Original Chargor**");
- (3) **MCFL HOLDINGS LIMITED** a company incorporated in England and Wales with company number 10050579, whose registered office is at Block B, Imperial Works, Perren Street, London NW5 3ED (as "**Chargors' Agent**");
- (4) **THE CHARGORS** as Chargors under and as defined in the Debenture referred to below; and
- (5) **BGF INVESTMENT MANAGEMENT LIMITED**, a company incorporated in England and Wales with company number 10608481 whose registered office is at 13-15 York Buildings, London, WC2N 6JU (the "**Security Trustee**").

**BACKGROUND:**

- (A) The Additional Chargor is a member of the Group.
- (B) The Original Chargor and the other Chargors have entered into a Debenture dated [●] 2017 (the "**Debenture**") between the Chargors under and as defined in the Debenture and the Security Trustee.
- (C) The Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Debenture.
- (D) The Chargors have appointed the Chargors' Agent to act as their agent to execute this Deed on their behalf.
- (E) It is intended that this document takes effect as a deed notwithstanding the fact that the Security Trustee may only execute this document under hand.

**IT IS AGREED** as follows:

**1 INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed unless given a different meaning in this Deed.
- 1.2 This Deed is a Finance Document.
- 1.3 The Schedules to this Deed comprise: Schedule 1 (*Mortgaged Property*), Schedule 2 (*Contracts*), Schedule 3 (*Shares*) and Schedule 4 (*Additional Permitted Security*) each as referred to in the Debenture.

## 2 ACCESSION

With effect from the date of this Deed the Additional Chargor:

- 2.1 will become a party to the Debenture as a Chargor; and
- 2.2 will be bound by all the terms of the Debenture which are expressed to be binding on a Chargor.
- 2.3 The Additional Chargor hereby covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

## 3 SECURITY

- 3.1 Clauses 3.2 to 3.6 below apply without prejudice to the generality of Clause 2 (*Accession*) of this Deed.
- 3.2 All the Security created under this Deed:
  - 3.2.1 is created in favour of the Security Trustee;
  - 3.2.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by an applicable law; and
  - 3.2.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 3.3 If the Additional Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:
  - 3.3.1 the Additional Chargor shall notify the Security Trustee promptly;
  - 3.3.2 until the consent is obtained, this Deed will secure all amounts of any nature which the Additional Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed;
  - 3.3.3 unless the Security Trustee otherwise requires, the Additional Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed; and
  - 3.3.4 the Additional Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.
- 3.4 The fact that no or incomplete details of any Security Asset are inserted in a schedule to this Deed does not affect the validity or enforceability of this Security.

3.5 The Additional Chargor:

- 3.5.1 charges by way of a first legal mortgage all the Mortgaged Property owned by it specified in Schedule 1 to this Deed and all rights under any licence or other agreement or document which gives the Additional Chargor a right to occupy or use the Mortgaged Property owned by it;
- 3.5.2 (to the extent that they are not the subject of a mortgage under Clause 3.5.1 above) charges by way of first fixed charge, all the Real Property owned by it and all rights under any licence or other agreement or document which gives the Additional Chargor a right to occupy or use Real Property owned by it;
- 3.5.3 charges by way of a first fixed charge all the Chattels owned by it and its interest in any Chattels in its possession;
- 3.5.4 charges by way of a first fixed charge all the Shares and Dividends;
- 3.5.5 assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*) of the Debenture, all its rights in respect of the Accounts;
- 3.5.6 to the extent that they are not effectively assigned under Clause 3.5.5 above, the Additional Chargor charges by way of first fixed charge all its rights and interest in and to the Accounts;
- 3.5.7 charges by way of a first fixed charge all its Monetary Claims;
- 3.5.8 assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*) of the Debenture, all its rights in respect of:
  - (a) the Contracts;
  - (b) any letter of credit issued in its favour; and
  - (c) any bill of exchange or other negotiable instrument held by it.
- 3.5.9 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the Additional Chargor charges by way of fixed charge all of its rights and interest in such Contract.
- 3.5.10 To the extent that any Contract is not capable of assignment or charge without infringing any provision of such Contract, the Additional Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.
- 3.5.11 assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 30 (*Release of Security*) of the Debenture, all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.
- 3.5.12 To the extent that they are not effectively assigned under Clause 3.5.11 above, the Additional Chargor charges by way of a first fixed charge the relevant amounts and rights described in Clause 3.5.11 above.

- 3.5.13 charges by way of first fixed charge all its rights in its Intellectual Property.
- 3.5.14 charges by way of first fixed charge:
- (a) any beneficial interest, claim or entitlement it has in any pension fund;
  - (b) any and all Related Rights;
  - (c) all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
  - (d) its goodwill and uncalled capital; and
  - (e) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any Authorisation.
- 3.5.15 charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 3.
- 3.5.16 Paragraph 14(2)(a) of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 3.5.15 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.
- 3.5.17 Without prejudice to the generality of Clause 2 of this Deed, the Additional Chargor agrees to the restrictions on the creation of any security after the date of this Deed in accordance with the terms of Clause 5 of the Debenture. For the avoidance of doubt the term "Permitted Security" in the Debenture includes the security listed in Schedule 4 to this Deed.
- 3.6 The Security Trustee may at any time by notice in writing to the Additional Chargor convert any floating charge created by the Additional Chargor pursuant to Clause 3.5.15 above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:
- 3.6.1 the Security constituted by this Deed or the Debenture (or the Security constituted by any other Deed of Accession) has become enforceable in accordance with Clause 18 (*Enforcement of Security*) of the Debenture; or
  - 3.6.2 the Security Trustee considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
  - 3.6.3 the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security.
- 3.7 Notwithstanding Clause 3.6 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 3.5.15 will automatically and immediately (without notice) convert into a fixed charge over all of the Additional Chargor's assets if:
- 3.7.1 the Additional Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of the Finance Documents;

- 3.7.2 any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
  - 3.7.3 a receiver or administrator is appointed in respect of the Additional Chargor or a person entitled to appoint an administrator in respect of the Additional Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
  - 3.7.4 any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of the Additional Chargor other than a winding up petition which is stayed within 14 days of commencement.
- 3.8 Notwithstanding any other provision of this Deed or any provision of any Deed of Accession, the floating charge created by Clause 3.5.15 may not be converted into a fixed charge solely by reason of:
- 3.8.1 the obtaining of a moratorium; or
  - 3.8.2 anything done with a view to obtaining a moratorium,
- as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule A1 of the Insolvency Act) under the Insolvency Act.

### 3.9 Land Registry

- 3.9.1 The Additional Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:  
  
 "No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of BGF Investment Management Limited referred to in the charges register or [*conveyancer*] or [*specify appropriate details*]."
- 3.9.2 The Additional Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:  
  
 "The noteholders under a loan note instrument dated [ ] are under an obligation (subject to the terms of that loan note instrument) to make further advances and the debenture referred to in the charges register dated [ ] in favour of BGF Investment Management Limited secures those further advances."

## 4 MISCELLANEOUS

With effect from the date of this Deed:

- 4.1 the Debenture will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the Security created on this accession will be created on the date of this Deed);
- 4.2 the Chargors agree to all matters provided for in this Deed.

4.3 This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

5 **LAW**

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

**This deed is executed as a deed by the Additional Chargor, the Original Chargor, the Chargors' Agent and the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.**

**EXECUTION PAGES TO DEED OF ACCESSION**

**ADDITIONAL CHARGOR**

EXECUTED as a DEED by [ADDITIONAL )  
CHARGOR], acting by \_\_\_\_\_ )  
a director, in the presence of: )  
)

Director

Signature of Witness:

Name:

Address:

Occupation:

**ORIGINAL CHARGOR**

EXECUTED as a DEED by MCFL HOLDINGS )  
LIMITED, acting by \_\_\_\_\_ a )  
director, in the presence of: )  
)

Director

Signature of Witness:

Name:

Address:

Occupation:



EXECUTION PAGES TO DEED OF ACCESSION (CONT.)

CHARGORS' AGENT

EXECUTED as a DEED by MCFL HOLDINGS )  
LIMITED (in its capacity as Chargors' Agent) )  
acting by \_\_\_\_\_ a director, in )  
the presence of: )

Director

Signature of Witness:

Name:

Address:

Occupation:

SECURITY TRUSTEE

EXECUTED as a DEED by BGF INVESTMENT )  
MANAGEMENT LIMITED, acting by )  
\_\_\_\_\_ a director, in the )  
presence of: )

Director

Signature of Witness:

Name:

Address:

Occupation:

**EXECUTION PAGES TO DEBENTURE**

**ORIGINAL CHARGOR**

EXECUTED as a DEED by MCFL HOLDINGS )  
LIMITED acting by a Director in the presence of: )  
)  
)



Director

Signature of Witness:



Name: NILS GRAVENHORST



Address:



Occupation: TRAINEE SOLICITOR

**SECURITY TRUSTEE**

EXECUTED as a DEED by BGF INVESTMENT )  
MANAGEMENT LIMITED acting by a Director in )  
the presence of: )  
)

Director

Signature of Witness:

Name:

Address:

Occupation:

EXECUTION PAGES TO DEBENTURE

ORIGINAL CHARGOR

EXECUTED as a DEED by MCFL HOLDINGS )  
LIMITED acting by a Director in the presence of: )  
)  
)

Director

Signature of Witness:

Name:

Address:

Occupation:

SECURITY TRUSTEE

EXECUTED as a DEED by BGF INVESTMENT )  
MANAGEMENT LIMITED acting by a Director in )  
the presence of: )

*Authorized  
Signature*

Director

*Authorized Signature*

Signature of Witness:

Name:

DANIEL BAILEY

Address:

Occupation:

INVESTOR