



Registration of a Charge

Company name: **KEY MIDCO LIMITED**

Company number: **07882099**

Received for Electronic Filing: **04/05/2016**



X56A6EEP

Details of Charge

Date of creation: **27/04/2016**

Charge code: **0788 2099 0003**

Persons entitled: **CLOSE BROTHERS LIMITED TRADING AS CLOSE BROTHERS PREMIUM FINANCE**

Brief description: **NOT APPLICABLE.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

ADDLESHAW GODDARD LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7882099

Charge code: 0788 2099 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th April 2016 and created by KEY MIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th May 2016 .

Given at Companies House, Cardiff on 5th May 2016

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



Companies House



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

Dated

27 APRIL 2016

- (1) THE CHARGORS
- (2) CLOSE BROTHERS LIMITED TRADING AS
CLOSE BROTHERS PREMIUM FINANCE

COMPOSITE GUARANTEE AND DEBENTURE

**THIS COMPOSITE GUARANTEE AND DEBENTURE IS SUBJECT TO THE TERMS OF THE
INTERCREDITOR AGREEMENT (AS DEFINED HEREIN)**

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THIS DEED is dated

27 APRIL 2016

BETWEEN:

- (1) **THE COMPANIES**, whose respective names and company numbers appear in part 1 (*The Chargors*) of Schedule 1 (*The Obligors*) (collectively the "**Chargors**" and each a "**Chargor**");
- (2) **THE COMPANIES**, whose respective names and company numbers appear in part 2 (*The Guarantors*) of Schedule 1 (*The Obligors*) (collectively the "**Guarantors**" and each a "**Guarantor**"); and
- (3) **CLOSE BROTHERS LIMITED TRADING AS CLOSE BROTHERS PREMIUM FINANCE** of 10 Crown Place, London EC2A 4FT (the "**Chargee**").

WHEREAS:

- (A) Each Obligor enters into this Deed in connection with the Close Facilities Agreement.
- (B) The Board of Directors of each Obligor is satisfied that the giving of the Security contained or provided for in this Deed is in the interests of that Obligor and each Board has passed a resolution to that effect.

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

Definitions

- 1.1 Terms defined in the Close Facilities Agreement shall, unless otherwise defined in this Deed or the context otherwise requires, have the same meanings when used in this Deed, and in addition in this Deed the following expressions shall have the following meanings:

"Accession Deed": means a deed of accession and charge substantially in the form of Schedule 10 (*Form of Accession Deed*).

"Acquisition Agreement": means

- (a) the share purchase agreement dated on or about 21 January 2012 relating to (i) the sale and purchase of the shares in The A&A Group Limited and (ii) the sale and purchase of the shares in Hyperformance Limited owned by Anthony Allen and David George Harlow (the "**Primary Acquisition Agreement**");
- (b) the share purchase agreement dated on or about 21 January 2012 relating to the sale and purchase of the shares in Hyperformance Limited owned by Imran Ahmed (the "**First Minority Shareholder Hyperformance Acquisition Agreement**"); and
- (c) the share purchase agreement dated on or about 21 January 2012 relating to the sale and purchase of the shares in Hyperformance Limited owned by Inderpal Sagoo (the "**Second Minority Shareholder Hyperformance Acquisition Agreement**").

"Additional Obligor": means a company which executes an Accession Deed in accordance with Clause 25 (*Changes to the Obligors*).

"Charged Property": means all the assets of each Chargor which from time to time are the subject of any Security created or expressed to be created in favour of the Chargee by or pursuant to this Deed.

"Close Facilities Agreement": means the loan agreement dated the date of this Deed (as amended and/or amended and restated from time to time) between the Chargee (as lender) and Key Bidco Limited (as borrower).

"Debt Proceeds": means any proceeds of any book debts and other debts or monetary claims (including any chose in action which may give rise to a monetary claim) owing to any Chargor (including, without limitation, any sums of money received by any Chargor from any of the assets charged under Clause 4.2.7 and/or Clause 4.2.8).

"Declared Default": means an Event of Default which has resulted in the Chargee giving notice under clause 10.2 of the Close Facilities Agreement.

"Delegate": means any person appointed by the Chargee or any Receiver pursuant to Clauses 15.2 to 15.4 (*Delegation*) and any person appointed as attorney of the Chargee and/or any Receiver or Delegate.

"Expenses": means all costs (including legal fees), charges, expenses and damages sustained or incurred by the Chargee or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the Security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of any Obligor under the terms of this Deed) or by law in each case on a full indemnity basis.

"Group": means Key Midco Limited and each of its Subsidiaries for the time being but excluding the Mulsanne Group.

"Hedging Agreement": means any master agreement, confirmation, schedule or other agreement in the agreed form entered into or to be entered into by a Chargor and a hedge counterparty.

"Insurances": means the Key-man Policies and the proceeds of them and all other contracts and policies of insurance or assurance (including, without limitation, life policies and the proceeds of them) from time to time taken out by or for the benefit of any Chargor or in which any Chargor from time to time has an interest, together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy.

"Intellectual Property": means:

- (a) all patents, trademarks, service marks, designs, business names, design rights, moral rights, inventions and all other registered or unregistered intellectual property rights;
- (b) all copyrights (including rights in software), database rights, domain names, source codes, brand names and all other similar registered or unregistered intellectual property rights;
- (c) all applications for intellectual property rights and the benefit of any priority dates attaching to such applications and all benefits deriving from intellectual property rights, including royalties, fees, profit sharing agreements and income from licences;
- (d) all know-how, confidential information and trade secrets; and
- (e) all physical material in which any intellectual property might be incorporated,

including, without limitation, any of the same specified in Schedule 4 (*Intellectual Property*).

"Intercreditor Agreement": means the intercreditor agreement dated on or about the date of this Deed and made between (among others) the Chargee, Key Midco Limited, the Investor Noteholders and the Management Noteholders (as defined therein) and The Royal Bank of Scotland plc as Senior Agent and Security Trustee.

"Key-man Policies": means each of the key-man policies of life insurance or life assurance from time to time taken out by or for the benefit of any Chargor or assigned to any Chargor or in which any Chargor from time to time has an interest in respect of the death or disability or critical illness of the individuals specified in Schedule 3 (*Key-man Policies*).

"Liability Period": means the period beginning on the date of this Deed and ending on the date on which the Chargee is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and the Facilities made available by the Chargee to the Chargors under the Close Facilities Agreement (or any of them) have been cancelled.

"Loan Note Security": means the Security granted pursuant to the debenture dated 27 June 2014 and granted by the Chargors.

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

"Mortgaged Property": means any freehold, commonhold or leasehold property the subject of the security constituted by this Deed and references to any **"Mortgaged Property"** shall include references to the whole or any part or parts of it.

"Mulsanne Group": means Mulsanne Holdings (Gibraltar) Limited, a company incorporated in Gibraltar with registered number 101653 and its Subsidiaries.

"Obligor": means a Chargor or a Guarantor.

"Planning Acts": means all legislation from time to time regulating the development, use, safety and control of property including, without limitation, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004 and any other instrument, plan, regulation, permission or direction made or issued under any such legislation.

"Premises": means all buildings and erections from time to time situated on or forming part of any Mortgaged Property.

"RBS Facilities Agreement": means the £20,000,000 facilities agreement dated 21 January 2012 (as amended and/or amended and restated from time to time, including on or about the date of this Deed) and made between (among others) Key Midco Limited as parent and The Royal Bank of Scotland plc as agent.

"RBS Transaction Security": means the Security granted pursuant to the mortgage debenture dated 21 January 2012 and granted by Key Bidco and Key Midco and to which The A&A Group Limited and Hyperformance Limited acceded on 22 March 2012.

"Receiver": means a receiver, receiver and manager or administrative receiver in respect of any Obligor or of the whole or any part or parts of the Charged Property.

"Related Rights": means, in relation to the Securities, all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise.

"Secured Liabilities": means all present and future indebtedness, moneys, obligations and liabilities of each Obligor to the Chargee under or in connection with the Finance Documents (including this Deed) (or any of them), in whatever currency denominated, whether actual or contingent, whether owed jointly or severally or as principal or as surety or in some other capacity, including any liability in respect of any further advances made under the Finance Documents, and whether or not the Chargee was an original party to the relevant transaction and in whatever name or style, including all interest, discount, commission and fees for which any of them may be or become liable to the Chargee pursuant to any Finance Document, together with all Expenses and all interest under Clause 2.2 (*Interest*).

"Securities": means all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of any Chargor, including, without limitation, any of the same

specified in Schedule 5 (*Securities*), together with all property and rights of any Chargor in respect of any account held by or for that Chargor as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere.

"Security": means 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.

"Specified Contracts": means each of the contracts specified in Schedule 6 (*Specified Contracts*).

"Subsidiary": means a subsidiary undertaking within the meaning of Section 1162 of the Companies Act 2006 but in addition as if that section provided that its members are deemed to include any other undertaking whose rights in relation to it are held by way of security by another person but are treated for the purposes of that section as held by that other undertaking.

"Tax": means 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).

"VAT": means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

Construction

1.2 Any reference in this Deed to:

1.2.1 the **"Chargee"**, any **"Obligor"**, any **"Guarantor"**, any **"Chargor"**, any **"Additional Guarantor"** and any **"Additional Chargor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

1.2.2 **"assets"** includes present and future properties, revenues and rights of every description;

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

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

1.2.5 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law is of a type with which any person to which it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and

1.2.6 a provision of law is a reference to that provision as amended or re-enacted.

1.3 Clause and Schedule headings are for ease of reference only.

1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:

1.4.1 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset;

1.4.2 the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset; and

- 1.4.3 in respect of any Mortgaged Property, all Premises and all fixtures and fittings (including trade fixtures and fittings and tenants' fixtures and fittings) from time to time in or on that Mortgaged Property other than those belonging to any landlord, tenant or occupant other than the relevant Chargor.
- 1.5 The Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under Clause 11.1 (*Enforcement of Security*)
- 1.6 Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned, whether or not as a result of any of the same:
- 1.6.1 there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
- 1.6.2 any additional, further or substituted facility to or for such facility is provided;
- 1.6.3 any rate of interest, commission or fees or relevant purpose is changed;
- 1.6.4 the identity of the parties is changed;
- 1.6.5 the identity of the providers of any security is changed;
- 1.6.6 there is an increased or additional liability on the part of any person; or
- 1.6.7 a new agreement is effectively created or deemed to be created.
- 1.7 Any reference in this Deed to "**this Deed**" shall be deemed to be a reference to this Deed as a whole and not limited to the particular Clause, Schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended, substituted or restated from time to time and any reference in this Deed to a "**Clause**" or a "**Schedule**" is, unless otherwise provided, a reference to a Clause or a Schedule of this Deed.
- 1.8 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.9 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.10 It is intended that this document shall take effect as and be a deed of each Obligor notwithstanding the fact that the Chargee may not execute this document as a deed.
- 1.11 Any change in the constitution of the Chargee or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.

Third Party Rights

- 1.12 Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

Intercreditor Agreement

- 1.13 Notwithstanding any other provision in this Deed, the provisions of this Deed are all subject to the provisions of the Intercreditor Agreement which will override this Deed to the extent that there is any inconsistency and in particular but without limitation, the discharge of any Secured Liabilities shall not be made except to the extent permitted by the Intercreditor Agreement.

Ranking

- 1.14 The parties to this Deed agree that, notwithstanding any provisions of this Deed to the contrary, to the extent that:

- 1.14.1 there is any conflict, contradiction or inconsistency between the terms of this Deed and those of the debenture granted by the Chargors constituting the RBS Transaction Security (the "**RBS Transaction Security Document**");
- 1.14.2 any provision of this Deed that requires a Chargor to deposit with the Chargee (or any other person) any deeds or documents of title, registration certificates, share certificates, stock transfer forms or other documents conflicts with an equivalent delivery obligation in the RBS Transaction Security Document;
- 1.14.3 any provision of this Deed requires a Chargor to transfer, convey or assign (or may be required to do so) the benefit of any asset, conflicts with an equivalent obligation in the RBS Transaction Security Document;
- 1.14.4 any misrepresentation arises under this Deed solely as a result of the existence of the RBS Transaction Security Document; or
- 1.14.5 any Security created under this Deed does not have the ranking it is expressed to have solely as a result of the existence of the RBS Transaction Security Document,

the terms of the RBS Transaction Security Document shall prevail and in such circumstances any breach, Default, Event of Default (or similarly described concept) shall (without prejudice to the Chargor's obligations under this Deed) be deemed to be waived.

- 1.15 Notwithstanding anything to the contrary in this Deed, the Chargee shall not require the Chargors to deliver (and the Chargors shall not deliver) any notice of charge or assignment under this Deed until the discharge of the RBS Transaction Security or with the prior written consent of the security trustee under the RBS Transaction Security Document (in which event, the form of notice as set out in Schedule 7 (Form of Notice of Charge – Key-man Policies), Schedule 8 (Form of Notice of Charge – Specified Contracts) and Schedule 9 (Form of Notice – Accounts not with the Chargee), as applicable, shall be amended as required to acknowledge the existence and prior ranking status of the RBS Transaction Security.

2. Covenant to Pay

Covenant to Pay

- 2.1 Each Obligor covenants with the Chargee that it shall pay, perform and discharge its Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with their terms.

Interest

- 2.2 Each Obligor covenants with the Chargee to pay interest to the date of payment of the Secured Liabilities at such rates and on such terms as may from time to time be agreed.

3. Guarantee and indemnity

Each Guarantor irrevocably and unconditionally jointly and severally:

- 3.1 guarantees to the Chargee punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
- 3.2 undertakes with the Chargee that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

3.3 agrees with the Chargee that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Chargee immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 3 if the amount claimed had been recoverable on the basis of a guarantee.

3.4 This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

4. Fixed Security

Charges

4.1 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of a legal mortgage all of that Chargor's right, title and interest in and to the freehold, commonhold and leasehold property now vested in it (including, but not limited to, the freehold, commonhold and leasehold property (if any) specified in Schedule 2 (*Real Property*)).

4.2 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of fixed charge all of that Chargor's right, title and interest in and to the following assets, both present and future:

4.2.1 all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under Clause 4.1 above);

4.2.2 all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;

4.2.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;

4.2.4 all amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;

4.2.5 all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);

4.2.6 all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;

4.2.7 all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;

4.2.8 all moneys from time to time deposited in or standing to the credit of any bank account with the Chargee or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each

case, any cheque, bill, note, negotiable instrument or other document representing the same));

- 4.2.9 all Securities and their Related Rights;
- 4.2.10 all of its goodwill and uncalled capital;
- 4.2.11 all Intellectual Property;
- 4.2.12 all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable in respect of them;
- 4.2.13 each of the Specified Contracts, together with:
 - (a) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
 - (b) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
 - (c) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
 - (d) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with the Chargee or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

Assignment

- 4.3 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, assigns to the Chargee absolutely, subject to a proviso for reassignment on redemption, by way of a legal assignment all of that Chargor's right, title and interest in and to each of the Hedging Agreements and each Acquisition Agreement.

5. Floating Charge

Creation of Floating Charge

- 5.1 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of a floating charge all of that Chargor's undertaking and all its other property, assets and rights, present and future, including all of its stock in trade and all of its property, assets and rights not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security pursuant to Clause 4 (*Fixed Security*).

Qualifying Floating Charge

- 5.2 The provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 5.1 (*Creation of Floating Charge*).

Conversion by Notice

- 5.3 The Chargee may by notice in writing at any time to any Chargor convert the floating charge created pursuant to Clause 5.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge (either generally or specifically as regards any assets of that Chargor specified in the notice) if:

- 5.3.1 an Event of Default has occurred and is continuing; or
- 5.3.2 the Chargee considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process or that it is desirable to do so in order to protect or preserve the Security constituted by this Deed over any of the Charged Property and/or the priority of that Security.

Automatic Conversion

- 5.4 Notwithstanding Clause 5.3 (*Conversion by Notice*) and without prejudice to any law which may have a similar effect, each floating charge created by Clause 5.1 (*Creation of Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to that floating charge if:

- 5.4.1 a Declared Default has occurred;
- 5.4.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property;
- 5.4.3 a resolution is passed or an order is made for the winding up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed in respect of any Chargor other than as permitted under the Close Facilities Agreement or with the prior written consent of the Chargee;
- 5.4.4 any Chargor creates or attempts to create any Security over any of the Charged Property (other than as permitted under the Close Facilities Agreement); or
- 5.4.5 any Chargor disposes or attempts to dispose of all or any of its assets other than as permitted under the Close Facilities Agreement or in the ordinary course of its trading.

Small company moratorium

- 5.5 Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 to Schedule A1 of the Insolvency Act 1986 shall not cause the floating charge created by this Deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by that Chargor.

6. Perfection of Security

Registration at HM Land Registry

- 6.1 In relation to land and buildings situated in England and Wales title to which is registered or is to be registered at the Land Registry, each Chargor consents to an application being made to the Chief Land Registrar for registration of a restriction on the register of title of all present and future registered freehold, leasehold or commonhold property of that Chargor (and any unregistered properties subject to compulsory first registration at the date of this Deed).
- 6.2 Each Chargor confirms that so far as any of the Mortgaged Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.
- 6.3 If the title to any Mortgaged Property of any Chargor is not registered at HM Land Registry, that Chargor shall ensure that no person (other than itself) shall be registered under the Land

Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Chargee.

- 6.4 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against any Chargor's title to any Mortgaged Property, that Chargor shall promptly provide the Chargee with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, that Chargor shall promptly and at its own expense take such steps as the Chargee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.
- 6.5 The Chargee is, subject to the terms of the Close Facilities Agreement, under an obligation to make further advances to the Borrower and this Security has been made for securing such further advances. The Chargee and each Chargor by this Deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of that Chargor (and any unregistered properties subject to compulsory first registration at the date of this Deed).

Acquisition of New Land

- 6.6 In relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of any Chargor after the date of this Deed:
- 6.6.1 if the title to any such property is registered at HM Land Registry, that Chargor shall promptly apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Chargee to the Chief Land Registrar for the registration of an agreed notice in Form AN1 to protect this Deed against that Chargor's title to that property;
- 6.6.2 if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, that Chargor shall promptly apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 12 of Form FR1; and
- 6.6.3 if the title to any such property represents the transfer of either part of a commonhold unit or part of the common parts of land registered as a freehold estate in commonhold land under the Commonhold and Leasehold Reform Act 2002, that Chargor shall also procure that the application to register the transfer is accompanied by an application in Form CM3 to register the commonhold community statement that has been amended in relation to the transfer as required by Rule 15 or, as the case may be, Rule 16 of the Commonhold (Land Registration) Rules 2004,

and, in each such case, the relevant Chargor shall, promptly after registration of it as the proprietor of the relevant registered estate, provide the Chargee with an official copy of the register recording the same.

Notices of Charge and Assignment

- 6.7 Each Chargor shall give or join the Chargee in giving:
- 6.7.1 a notice in the form set out in Part 1 of Schedule 7 (*Form of Notice of Charge – Key-man Policies*) or in such other form as the Chargee may reasonably require to the relevant insurers in respect of each of its Key-man Policies:
- (a) in the case of a Key-man Policy subsisting at the date of this Deed, on the date of this Deed; and

- (b) in the case of a Key-man Policy coming into existence after the date of this Deed, on that Key-man Policy being put on risk;
- 6.7.2 a notice in the form set out in Part 1 of Schedule 8 (*Form of Notice of Charge – Specified Contracts*) or, as applicable, Part 1 of Schedule 9 (*Form of Notice of Charge – Accounts not with the Chargee*) or in such other form as the Chargee may reasonably require to each of the counterparties to each Specified Contract to which it is a party and to each bank or financial institution (other than the Chargee) in respect of each account of that Chargor opened or maintained with it:
 - (a) in the case of a Specified Contract subsisting on the date of this Deed and in the case of an account which is held by that Chargor on the date of this Deed, on the date of this Deed; and
 - (b) in the case of an account which is opened after the date of this Deed, on the date on which that account is opened; and
- 6.7.3 in respect of any other asset which is charged or assigned pursuant to Clause 3 (*Fixed Security*), a notice of charge or, as applicable, assignment in such form as the Chargor may reasonably require to the relevant debtor or other third party (as the case may be) promptly upon the request of the Chargee from time to time.
- 6.8 Each such notice shall be duly signed by or on behalf of the relevant Chargor and that Chargor shall use reasonable endeavours to procure that each of the persons on whom any such notice is served provides to the Chargee a duly signed acknowledgement of that notice substantially in the form set out in Part 2 of Schedule 7, Part 2 of Schedule 8 or, as applicable, Part 2 of Schedule 9 or in such other form in any case as the Chargee may require (acting reasonably) within 5 Business Days of that notice being given.

Deposit of Documents of Title

- 6.9 Each Chargor shall promptly following request by the Chargee deposit with the Chargee (unless already held by its solicitors on behalf of and to the Chargee's order or at HM Land Registry for the purpose of registration of the Security constituted by this Deed) all deeds, certificates and other documents of title from time to time relating to the Mortgaged Property.
- 6.10 Each Chargor shall promptly following request by the Chargee deposit with the Chargee originals of all policy documents, documents of title and endorsements from time to time relating to the Key-man Policies.

Deposit of Securities

- 6.11 Each Chargor shall, in respect of any Securities which are in certificated form, promptly:
 - 6.11.1 deposit with the Chargee or as it may direct all stock and share certificates and other documents of title or evidence of ownership from time to time relating to such Securities; and
 - 6.11.2 promptly following request by the Chargee execute and deliver to the Chargee all share transfers and other documents as the Chargee may from time to time request in order to enable the Chargee (or its nominee(s)) to be registered as the owner or otherwise obtain a legal title to or to perfect its security interest in such Securities, to the intent that the Chargee may at any time without notice complete and present such transfers and documents for registration.

in each case, provided that such deeds and documents are in its possession or control (and, if not within its possession and/or control and provided that it is entitled to have possession, such Chargor hereby undertakes to use reasonable endeavours to obtain possession of such deeds and documents).

- 6.12 Each Chargor shall, in respect of any Securities which are in uncertificated form, promptly upon being requested to do so by the Chargee (acting reasonably), give or procure the giving of, in

accordance with and subject to the facilities and requirements of the relevant system, all instructions necessary to effect a transfer of title to such Securities into an account in the name of the Chargee (or its nominee(s)) and to cause the Operator to register on the relevant register of securities the transfer of such title.

- 6.13 For the purposes of Clauses 6.11 and 6.12 above, the expressions “**certificated**”, “**instruction**”, “**Operator**”, “**relevant system**” and “**uncertificated**” shall have the meanings given to those terms in the Uncertificated Securities Regulations 2001.

7. Leasehold security restrictions

- 7.1 There shall be excluded from the Security created by this Deed, and from the operation of Clause 10 (*Undertakings*), any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an “**Excluded Property**”) until the relevant condition or waiver has been satisfied or obtained.

- 7.2 For each Excluded Property, each relevant Chargor undertakes to:

7.2.1 where requested to do so by the Chargee, apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this Deed (in relation to Excluded Property owned at the date of this Deed) or within five Business Days of the relevant Chargor acquiring the Excluded Property (if otherwise) and, to use its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible;

7.2.2 upon request, keep the Chargee informed of its progress in obtaining such consent or waiver; and

7.2.3 forthwith upon receipt of such consent or waiver, provide the Chargee with a copy.

- 7.3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Chargee under Clause 4 (*Fixed Security*) as the case may be. If reasonably required by the Chargee at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge in such a form as the Chargee shall require.

8. Further Assurance

Further Assurance

- 8.1 Each Obligor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee or any Receiver may reasonably specify (and in such form as the Chargee or any Receiver may reasonably require in favour of the Chargee or its nominee(s)) to:

8.1.1 perfect the Security created or intended to be created in respect of the Charged Property (which may include the execution by a Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);

8.1.2 confer on the Chargee Security over any property and assets of a Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed;

8.1.3 facilitate the exercise of any rights, powers and remedies of the Chargee or any Receiver or Delegate provided by or pursuant to this Deed or by law;

8.1.4 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property; and/or

- 8.1.5 create any charge by way of legal mortgage over any freehold, commonhold or leasehold property which becomes vested in a Chargor after the date of this Deed.

Necessary Action

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

Acquisition of New Land

- 8.3 Each Chargor shall promptly notify the Chargee of any acquisition by it of any freehold, commonhold or leasehold property or of any agreement entered into by it or of which it has the benefit for the acquisition of any such property.

Implied Covenants for Title

- 8.4 Each of the mortgages, charges and assignments granted by each Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a), Section 3 and Section 4 of that Act shall extend to each Chargor without, in each case, the benefit of Section 6(2) of that Act.

9. Representations

General

- 9.1 Each Obligor represents and warrants to the Chargee on the date of this Deed as follows:

- 9.1.1 it is a limited liability corporation duly incorporated and validly existing under the law of England and Wales;
- 9.1.2 it has the power to own its assets and carry on its business as it is presently being conducted;
- 9.1.3 subject to the Legal Reservations, the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations;
- 9.1.4 its entry into and performance of, and the transactions contemplated by, this Deed does not and will not conflict with:
- (a) any law or regulation applicable to it;
 - (b) its constitutional documents; or
 - (c) any agreement or instrument binding upon it or any of its assets and would not constitute an event of default or termination event (however described) under any such agreement or instrument to the extent such event of default or termination event (however described) would have or would reasonably be expected to have a Material Adverse Effect;
- 9.1.5 it has the power to enter into, perform and deliver and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed;
- 9.1.6 all Authorisations required:
- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
 - (b) to make this Deed admissible in evidence in England and Wales,

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

- 9.1.7 no corporate action, legal proceeding or other procedure or step described in clause 10.1.9 of the Close Facilities Agreement or creditors' process described in clause 10.1.10 of the Close Facilities Agreement, has been taken or, to its knowledge, threatened in relation to it and none of the circumstances described in clause 10.1.6 of the Close Facilities Agreement applies to it;
- 9.1.8 it is not required to make any deduction or withholding for or on account of Tax from any payment it may make under this Deed;
- 9.1.9 all information provided by it or on its behalf to the Chargee in connection with this Deed was true, complete and accurate as at the date it was provided and is not misleading in any material respect;
- 9.1.10 no information has been given or withheld by it that results in the information supplied by it to the Chargee in connection with this Deed being untrue or misleading in any material respect;
- 9.1.11 no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect has or have (to the best of its knowledge and belief) been started or threatened against it;
- 9.1.12 it has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted;
- 9.1.13 it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in them;
- 9.1.14 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Charged Property;
- 9.1.15 nothing has arisen or has been created or is subsisting which would be an overriding interest in any of the Charged Property; and
- 9.1.16 there is no prohibition on assignment in any insurances, agreements or authorisations referred to in Clause 4 (*Fixed Security*) or Clause 5 (*Floating Security*), or the relevant clauses of them as the case may be, and the Obligor entering into this Deed will not constitute a breach of any such insurances, agreements or Authorisations.

Continuing Representations

- 9.2 Each Obligor undertakes with the Chargee that the representations and warranties in this Clause 9 will be true and accurate throughout the continuance of this Deed by reference to the facts and circumstances existing from time to time.

10. Undertakings

General

- 10.1 The undertakings in this Clause 10 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

Negative Pledge

- 10.2 No Obligor shall create or extend or permit to arise or subsist any Security (other than any Security constituted by this Deed or the RBS Transaction Security or the Loan Note Security) over the whole or any part of the Charged Property other than as permitted under the Close Facilities Agreement or with the prior written consent of the Chargee.

Restriction on Disposals

- 10.3 No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the whole or any part of the Charged Property, other than any disposal of any Charged Property which is subject only to the floating charge created by Clause 5.1 (*Creation of Floating Charge*) for full consideration in the ordinary and usual course of that Chargor's business as it is presently conducted or as permitted under this Deed or which is permitted under the Close Facilities Agreement or with the prior consent of the Chargee.

Insurance

- 10.4 Each Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property (insofar as it is of an insurable nature) against:
- 10.4.1 loss or damage by fire or terrorist acts;
 - 10.4.2 other risks, perils and contingencies and in such amounts and on such terms as would be taken out by reasonably prudent persons carrying on the same class of business as that carried on by it; and
 - 10.4.3 any other risks, perils and contingencies and in such amounts and on such terms as the Chargee may require (acting reasonably).
- 10.5 All such insurances must be in a sum or sums not less than the replacement value of the Charged Property (meaning, in the case of the Premises, the total cost of entirely rebuilding, reinstating or replacing the Premises in the event of their being completely destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement).
- 10.6 Each Chargor shall, if requested by the Chargee, use reasonable endeavours to procure that the Chargee is named as co-insured with that Chargor on each policy of insurance effected or maintained by it or any person on its behalf in accordance with Clause 10.4 above or that a note of the Chargee's interest is endorsed upon, and the Chargee is named as second chargee (or, after the Senior Discharge Date (as defined in the Intercreditor Agreement) as sole loss payee in respect of, each such policy, as the Chargee may require and that the terms of each such policy require the insurer not to invalidate the policy as against the Chargee by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 15 days' prior written notice to the Chargee.
- 10.7 Each Chargor shall, on written demand by the Chargee, produce to the Chargee copies of the policy, certificate or cover note relating to any such insurance as is required by Clause 10.4 above (or where, in the case of any leasehold property, such insurance is effected by the landlord, such evidence of insurance as that Chargor is entitled to obtain from the landlord under the terms of the relevant lease). Where, in the case of leasehold property, such insurance is effected by the landlord or the terms of the relevant lease require the landlord to effect insurance, each Chargor shall use all reasonable endeavours to enforce the covenants by its landlord relating to insurance contained in that lease (including any reinstatement covenants).

Voting Rights and Dividends relating to Securities

- 10.8 At any time before the Security constituted by this Deed has become enforceable:
- 10.8.1 each Chargor shall be entitled to exercise all voting and other rights and powers in respect of the Securities or, if any of the same are exercisable by the Chargee (or its nominee(s)), to direct in writing the exercise of those voting and other rights and powers, **provided that** no Chargor shall exercise or direct the exercise of any voting or other rights and powers in any manner which would, in the opinion of the Chargee,

prejudice the value of the Securities or otherwise jeopardise the Security constituted by this Deed; and

- 10.8.2 each Chargor shall be entitled to retain and apply for its own use all dividends, interest and other moneys paid or payable in respect of the Securities and, if any of the same are paid or payable to the Chargee (or its nominee(s)), the Chargee will hold all such dividends, interest and other moneys received by it for the account of that Chargor and will pay such dividends to that Chargor promptly on request.
- 10.9 At any time after the Security constituted by this Deed has become enforceable, the Chargee may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):
 - 10.9.1 exercise (or refrain from exercising) all voting and other rights and powers in respect of the Securities;
 - 10.9.2 apply all dividends, interest and other moneys arising from the Securities in accordance with Clause 18.1 (*Order of Application*) and, if any of the same are paid or payable to any Chargor, that Chargor shall hold all such dividends, interest and other moneys on trust for the Chargee and pay the same immediately to the Chargee or as it may direct to be applied in accordance with Clause 18.1;
 - 10.9.3 if not already so transferred, transfer the Securities into the name of, or (as applicable) into an account in the name of, the Chargee (or its nominee(s)); and
 - 10.9.4 in addition to any other power created under this Deed, exercise (or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities and, except as expressly provided for in the Deed, all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000, including, without limitation, the general power of investment set out in Section 3 of the Trustee Act 2000, *provided that* the duty of care set out in Section 1 (1) of the Trustee Act 2000 shall not apply to the exercise of any other power of investment (however conferred) by the Chargee (or its nominee(s)) in respect of securities or property subject to a trust.

Calls and Other Obligations in respect of Securities

- 10.10 Each Chargor shall promptly pay all calls and other payments which may be or become due in respect of all or any part of the Securities and, if it fails to do so, the Chargee may elect (but shall not be obliged) to make such payments on behalf of that Chargor. Any sums so paid by the Chargee shall be reimbursed by the relevant Chargor to the Chargee on demand and shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Chargee until reimbursed (after as well as before any judgment), save where failure to pay such call or make such other payments is reasonably likely to have a material and adverse effect on the ability of the Chargors as a whole to make the payments due to be made by them under the Finance Documents.
- 10.11 Each Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of all or any part of the Securities.
- 10.12 Neither the Chargee nor its nominee(s) shall be liable to make any payment in respect of any calls or other payments which may be or become due in respect of the Securities or be under any duty to make any enquiry into the nature or sufficiency of any payment received by it in respect of the Securities or to present or file or make any claim, take any action or do any other act or thing for the purpose of collecting and/or enforcing the payment of any amount to which it may be entitled in respect of the Securities.
- 10.13 Each Chargor shall copy to the Chargee and comply with all requests for information which is within its knowledge and which are made under Section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional documents relating to all or any part of the Securities and, if it fails to do so, the Chargee may elect (but

shall not be obliged) to provide such information as it may have on behalf of (and at the expense of) that Chargor.

- 10.14 No Chargor shall, without the prior written consent of the Chargee, do or cause or permit to be done anything which shall require any company in which any of the Securities is held to treat any person who is not the registered holder of any of the Securities as entitled to enjoy or exercise any rights of a member in relation to the whole or any part of the Securities, except pursuant to the terms of this Deed.

Book Debts and Other Debts

- 10.15 Save as otherwise permitted pursuant to the terms of the Close Facilities Agreement, no Chargor shall at any time deal with its book debts and other debts and monetary claims except by getting in and realising them in the ordinary and usual course of its business and paying all Debt Proceeds into the current account of that Chargor with The Royal Bank of Scotland plc or into such other account with a bank or financial institution in the United Kingdom as the Chargee shall have approved in advance (such approval not to be unreasonably withheld or delayed).
- 10.16 At any time before an Event of Default has occurred, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance which arises on any account of that Chargor with any bank or financial institution referred to in Clause 10.15 above as a result of Debt Proceeds being credited or transferred to that account from time to time.

Bank Accounts

- 10.17 Each Chargor shall promptly deliver to the Chargee, on request and, if any change occurs thereafter, on the date of such change, details of each account maintained by it with any bank or financial institution.
- 10.18 Each Chargor undertakes that it shall not, without the Chargee's prior written consent:
- 10.18.1 permit or agree to any variation of the rights attaching to any account referred to in Clause 10.17 above; or
- 10.18.2 close any such account.

- 10.19 Save as otherwise permitted pursuant to the terms of the Close Facilities Agreement, at any time after an Event of Default has occurred, no Chargor shall be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on any account except with the prior written consent of the Chargee.

Premises, Plant and Machinery

- 10.20 Each Chargor shall at all times, to the Chargee's satisfaction, repair and keep:
- 10.20.1 the Premises in good and substantial repair and condition and adequately and properly painted and decorated; and
- 10.20.2 the fixtures, plant, machinery, implements and other effects and chattels owned by it and which are in or upon the Premises or elsewhere in a good state of repair and in good working order and condition and shall, as and when necessary, renew and replace such items when they shall become obsolete, worn out or destroyed with items of similar quality and of equal or greater value,

save where failure to do so is reasonably likely to have a material and adverse effect on the ability of the Chargors as a whole to make the payments due to be made by them under the Finance Documents.

- 10.21 No Chargor shall, without the prior written consent of the Chargee, carry out or permit to be carried out any material demolition, rebuilding, reconstruction or structural alteration of any Premises.

Mortgaged Property

- 10.22 No Chargor shall, except as expressly permitted under the Close Facilities Agreement or with the prior written consent of the Chargee:
- 10.22.1 exercise any statutory or other power of leasing or letting, or accept or agree to accept surrenders of any leases, or enter into any agreement for lease or letting, in respect of any Mortgaged Property; or
 - 10.22.2 create any licence in respect of any Mortgaged Property, or let any person into occupation of, or share occupation of, any Mortgaged Property or grant any other proprietary or other right or interest in any Mortgaged Property.
- 10.23 Each Chargor shall:
- 10.23.1 observe and perform all the terms on its part contained in any lease or agreement for lease comprised within the Mortgaged Property save where failure to do so is reasonably likely to have a material and adverse effect on the ability of the Chargors as a whole to make the payments due to be made by them under the Finance Documents; and
 - 10.23.2 duly and punctually perform and observe and indemnify the Chargee for any breach of any covenants, stipulations and obligations (restrictive or otherwise) affecting the Mortgaged Property.
- 10.24 No Chargor shall:
- 10.24.1 enter into any onerous or restrictive covenants affecting the Mortgaged Property; or
 - 10.24.2 sever or unfix or remove any of the fixtures from any Mortgaged Property (except for the purpose of effecting necessary repairs to any such items or renewing or replacing the same in accordance with Clause 10.20 above) save as permitted under the Close Facilities Agreement.
- 10.25 Each Chargor shall punctually pay or cause to be paid (except when contested on reasonable grounds) and shall indemnify the Chargee and any Receiver or Delegate on demand against all present and future rents, rates, Taxes, assessments and outgoings of whatsoever nature imposed upon or payable in respect of its Mortgaged Property or by the owner or occupier of its Mortgaged Property upon the same becoming due and payable or within any applicable grace period. If any of the foregoing shall be paid by the Chargee or any Receiver or Delegate save where failure to pay such payments is reasonably likely to have a material and adverse effect on the ability of the Chargors as a whole to make the payments due to be made by them under the Finance Documents shall be reimbursed by the relevant Chargor to the Chargee or such Receiver or Delegate on demand and shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Chargee or such Receiver or Delegate until reimbursed (after as well as before any judgment).
- 10.26 No Chargor shall, without the prior written consent of the Chargee:
- 10.26.1 make or, insofar as it is able, permit others to make any application for planning permission in respect of any Mortgaged Property;
 - 10.26.2 carry out or permit to be carried out on any Mortgaged Property any development (within the meaning of that expression in the Planning Acts); or
 - 10.26.3 make any VAT election in relation to any Mortgaged Property.

Remedying Mortgaged Property Defaults

- 10.27 In case of any Chargor failing to perform or comply with any covenant, undertaking, restriction, applicable law or regulations affecting the Mortgaged Property, and, as a result of such failure

an Event of Default occurs, the relevant Chargor shall permit the Chargee and its agents and contractors to:

- 10.27.1 enter on the Mortgaged Property;
 - 10.27.2 comply with or object to any notice served on that Chargor in respect of the Mortgaged Property; and
 - 10.27.3 take any action as the Chargee may reasonably consider necessary to prevent or remedy any breach of any such covenant, undertaking, restriction, applicable law or regulations or to comply with or object to any such notice.
- 10.28 All moneys expended by the Chargee in taking any steps referred to in Clause 10.27 above shall be reimbursed by the relevant Chargor to the Chargee on demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Chargee until reimbursed (after as well as before any judgment).

Notices relating to Charged Property

- 10.29 Each Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the whole or any part of the Charged Property which, whether alone or together with all other such applications, requirements, orders or notices served or given, is reasonably likely to have a material and adverse effect on the ability of the Chargors as a whole to make the payments due to be made by them under the Finance Documents:
- 10.29.1 deliver a copy to the Chargee;
 - 10.29.2 at the request of the Chargee, inform the Chargee of the steps taken or proposed to be taken by it to comply with the relevant application, requirement, order or notice; and
 - 10.29.3 comply with any request by the Chargee to take such action as the Chargee may believe necessary to preserve or protect the Charged Property or the Security constituted or intended to be constituted by this Deed.

Not Jeopardise Security

- 10.30 No Chargor shall do or cause or permit to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Security constituted or intended to be constituted by this Deed, except to the extent expressly permitted by the terms of this Deed or the Close Facilities Agreement.

11. Enforcement of Security

When Security becomes Enforceable

- 11.1 The Security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable upon and at any time after the occurrence of a Declared Default.
- 11.2 After the Security constituted by this Deed has become enforceable, the Chargee may in its absolute discretion enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

Right of Appropriation

- 11.3 To the extent that any of the Charged Property constitutes "financial collateral" and this Deed and the obligations of any Chargor under this Deed constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "FCA Regulations")), the Chargee shall have the

right, at any time after the Security constituted by this Deed has become enforceable, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such financial collateral shall be (in the case of cash) the amount standing to the credit of each bank account of the relevant Chargor, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and (in the case of Securities) the market price of such Securities determined by the Chargee by reference to a public index or by such other process as the Chargee may select, including independent valuation. In each case, the parties agree that the manner of valuation provided for in this Clause 11.3 shall constitute a commercially reasonable manner of valuation for the purposes of the FCA Regulations.

Redemption of Prior Mortgages

- 11.4 At any time after the Security constituted by this Deed has become enforceable, the Chargee or any Receiver may:
- 11.4.1 redeem any prior Security over any Charged Property; or
 - 11.4.2 procure the transfer of that Security to the Chargee; or
 - 11.4.3 settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the relevant Chargor).
- 11.5 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the relevant Chargor to the Chargee and every Receiver on demand and shall be secured by this Deed.

12. Extension and Variation of the LPA

General

- 12.1 For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.
- 12.2 Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.
- 12.3 The statutory powers of leasing conferred on the Chargee are extended so as to authorise the Chargee and any Receiver at any time after the Security constituted by this Deed has become enforceable to make any lease or agreement for lease, accept surrenders of leases and/or grant options on such terms as it or he shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

Privileges

- 12.4 Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

13. Appointment of Receiver and Administrator

Appointment

- 13.1 At any time after the Security constituted by this Deed has become enforceable or if an application is presented for the making of an administration order in relation to any Chargor or any person who is entitled to do so gives written notice of its intention to appoint an administrator of any Chargor or files such a notice with the court or if any Chargor so requests the Chargee in writing (in which case, in each such case, the Security constituted by this Deed shall become immediately enforceable), the Chargee may without prior notice to any Chargor:

13.1.1 appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Chargee had become entitled under the LPA to exercise the power of sale conferred under the LPA; or

13.1.2 appoint one or more persons to be an administrator of any one or more of the Chargors.

Removal

13.2 The Chargee may by writing under its hand (or by an application to the court where required by law):

13.2.1 remove any Receiver appointed by it; and

13.2.2 appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

Statutory Powers of Appointment

13.3 The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Chargee under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Chargee in respect of any part or parts of the Charged Property.

Capacity of Receiver

13.4 Each Receiver shall be deemed to be the agent of the relevant Chargor for all purposes. Each Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.

13.5 The agency of each Receiver shall continue until the relevant Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.

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

Remuneration of Receiver

13.7 The Chargee may fix the remuneration of any Receiver appointed by it without any restriction imposed by Section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable promptly upon its being paid by the Chargee.

14. Powers of Receiver

General

14.1 Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 14 in addition to those conferred by law.

14.2 Without prejudice to the generality of this Clause 14, each Receiver shall have all the rights, powers and discretions of an administrative receiver under Schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

Specific Powers

14.3 Each Receiver shall have the following powers (and every reference in this Clause 14.3 to the **"Charged Property"** shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):

- 14.3.1 power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;
- 14.3.2 power to take immediate possession of, get in and collect any Charged Property;
- 14.3.3 power to carry on the business of any Chargor as he thinks fit;
- 14.3.4 power (but without any obligation to do so) to:
 - (a) make and effect all repairs, alterations, additions and insurances and do all other acts which any Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
 - (b) commence or complete any building operations on the Charged Property;
 - (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence in respect of the Charged Property; and
 - (d) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the Charged Property and represent any Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition,

in each case as he thinks fit;

- 14.3.5 power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by any Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the relevant Chargor on demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));
- 14.3.6 power to raise and borrow money either unsecured or (with the prior consent of the Chargee) on the security of any Charged Property either in priority to the Security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- 14.3.7 power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- 14.3.8 power to sever and sell separately any fixtures from the property containing them without the consent of any Chargor;
- 14.3.9 power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);

- 14.3.10 power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Charged Property;
- 14.3.11 power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to any Chargor which may seem to him to be expedient;
- 14.3.12 power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- 14.3.13 power to form a subsidiary of any Chargor and transfer to that subsidiary any Charged Property;
- 14.3.14 power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- 14.3.15 power to call any meeting of the members or directors of any Chargor in order to consider such resolutions or other business as he thinks fit;
- 14.3.16 power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;
- 14.3.17 power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- 14.3.18 power to exercise any of the above powers in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of that Chargor.

Chargee's Powers

- 14.4 To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after the Security constituted by this Deed has become enforceable be exercised by the Chargee in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

15. Discretions and Delegation

Discretion

- 15.1 Any liberty or power which may be exercised or any determination which may be made under this Deed by the Chargee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

Delegation

- 15.2 Each of the Chargee and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).
- 15.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Chargee or any Receiver (as the case may be) shall think fit.
- 15.4 Neither the Chargee nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. Power of Attorney

Appointment and Powers

- 16.1 Each Obligor, by way of security, irrevocably appoints the Chargee, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed, following the occurrence of an Event of Default which is continuing, to execute, deliver and perfect all documents and do all things which the attorney may consider to be required for:

16.1.1 carrying out any obligation imposed on any Obligor by this Deed; and/or

16.1.2 enabling the Chargee or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

Ratification

- 16.2 Each Obligor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under Clause 16.1 (*Appointment and Powers*), other than where such liability arises from the gross negligence or wilful default on the part of the attorney.

17. Protection of Purchasers

Consideration

- 17.1 The receipt of the Chargee or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property (including a disposal by a Receiver or Delegate to any subsidiary of any Chargor) or in making any acquisition in the exercise of their respective powers, the Chargee, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

Protection of Third Parties

- 17.2 No person (including a purchaser) dealing with the Chargee, any Receiver or any Delegate shall be bound to enquire:

17.2.1 whether the Secured Liabilities have become payable; or

17.2.2 whether any power which the Chargee or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or

17.2.3 whether any Secured Liabilities remain due to the Chargee; or

17.2.4 how any money paid to the Chargee or to any Receiver or Delegate is to be applied,

or shall be concerned with any propriety, regularity or purpose on the part of the Chargee or any Receiver or Delegate in such dealings or in the exercise of any such power.

18. Application of Proceeds

Order of Application

- 18.1 All moneys received or recovered by the Chargee, any Receiver or any Delegate pursuant to this Deed, after the Security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied in the following order (but without prejudice to the right of the Chargee to recover any shortfall from any Obligor):

- 18.1.1 in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of his rights and powers, including his remuneration, and all outgoings paid by him;
 - 18.1.2 in or towards payment of all other Expenses;
 - 18.1.3 in or towards payment of all other Secured Liabilities or such part of them as is then due and payable to the Chargee in accordance with the order of the application set out in Clause 13.7 of the Close Facilities Agreement; and
 - 18.1.4 in payment of the surplus (if any) to any Obligor or other person entitled to it.
- 18.2 Clause 18.1 (*Order of Application*) will override any appropriation made by any Obligor.

New Accounts

- 18.3 If the Chargee at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Chargee may open a new account with any Chargor.
- 18.4 If the Chargee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on behalf of the relevant Chargor to the Chargee shall be credited or be treated as having been credited to the new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

Currency Conversion

- 18.5 For the purpose of or pending the discharge of any of the Secured Liabilities, the Chargee may (in its absolute discretion) convert any moneys received or recovered by it or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by it or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Chargee's spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Chargee. Nothing in this Deed shall require the Chargee to make, or shall impose any duty of care on the Chargee in respect of, any such currency conversion.

19. No Liability as Mortgagee in Possession

Neither the Chargee nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to any Chargor for anything, except actual receipts, or be liable to any Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Chargee, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Chargee or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property or the Finance Documents.

20. Set-Off

Without limiting any other rights conferred on the Chargee by law or by any other agreements entered into with any Obligor, the Chargee may (but shall not be obliged to) set off any matured obligation due from any Obligor under this Deed (to the extent beneficially owned by the Chargee) against any obligation (whether matured or not) owed by the Chargee to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the obligation owed by the Chargee is unliquidated or unascertained, the Chargee may set off in an amount estimated by it in good faith to be the amount of that obligation.

21. Effectiveness of Security

Continuing Security

- 21.1 The Security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Chargee, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

Cumulative Rights

- 21.2 The Security constituted by this Deed and all rights, powers and remedies of the Chargee provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Chargee for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Chargee over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

Reinstatement

- 21.3 If any discharge, release or arrangement is made by the Chargee in whole or in part on the faith of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Obligor under, the Security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 21.4 The Chargee may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

Waiver of defences

- 21.5 The obligations of each Obligor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 21.5, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Chargee) including:
- 21.5.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - 21.5.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - 21.5.3 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 Obligor or 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;
 - 21.5.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - 21.5.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security;
 - 21.5.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - 21.5.7 any insolvency or similar proceedings.

Chargor Intent

- 21.6 Without prejudice to the generality of Clause 21.5 (*Waiver of defences*), each Guarantor expressly confirms that it intends that the guarantee given under this Deed 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: business acquisitions of any nature; increasing working capital; enabling investor 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 such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

Immediate recourse

- 21.7 Each Obligor waives any right it may have of first requiring the Chargee to proceed against or enforce any other rights or Security or claim payment from any person before claiming from that Obligor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

Deferral of Obligor's rights

- 21.8 Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Chargee otherwise directs, no Obligor 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:

21.8.1 to be indemnified by an Obligor;

21.8.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

21.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by the Chargee;

21.8.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under this Deed;

21.8.5 to exercise any right of set-off against any Obligor; and/or

21.8.6 to claim or prove as a creditor of any Obligor in competition with the Chargee.

- 21.9 If an Obligor 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 Chargee by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Chargee and shall promptly pay or transfer the same to the Chargee or as the Chargee may direct for application in accordance with the Finance Documents.

No Security held by Obligors

- 21.10 No Obligor shall take or receive any Security from any other member of the Group or any other person in connection with its liability under this Deed. However, if any such Security is so taken or received by any Obligor:

21.10.1 it shall be held by that Obligor on trust for the Chargee, together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and

21.10.2 on demand by the Chargee, the relevant Obligor shall promptly transfer, assign or pay to the Chargee all Security and all moneys from time to time held on trust by it under this Clause 21.10.

22. Payments

Manner of Payments

22.1 Each Obligor shall make all payments required to be made by it under this Deed available to the Chargee (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Chargee as being customary at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Chargee specifies.

No Set-off by Obligors

22.2 All payments to be made by any Obligor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

Tax Gross-Up

22.3 Each Obligor shall make all payments to be made by it under this Deed without any deduction or withholding for or on account of Tax, unless such a deduction or withholding is required by law. Each Obligor, promptly upon becoming aware that it must make such a deduction or withholding (or that there is any change in the rate or the basis of such a deduction or withholding), shall notify the Chargee accordingly.

22.4 If a deduction or withholding for or on account of Tax from a payment under this Deed is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any such deduction or withholding) leaves an amount equal to the payment which would have been due if no such deduction or withholding had been required.

22.5 If an Obligor is required to make a deduction or withholding for or on account of Tax from a payment under this Deed, that Obligor shall make that deduction or withholding and any payment required in connection with that deduction or withholding within the time allowed and in the minimum amount required by law. Within thirty days of making such a deduction or withholding or any payment required in connection with that deduction or withholding, the relevant Obligor shall deliver to the Chargee evidence reasonably satisfactory to the Chargee that the deduction or withholding has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

23. Certificates and Determinations

Any certificate or determination by the Chargee of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

24. Partial Invalidity

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

25. Changes to the Obligors

25.1 An Additional Obligor shall become a Guarantor and a Chargor under this Deed with effect from the time when the Accession Deed takes effect, at which point:

- 25.1.1 the Additional Obligor shall become bound by all the terms of this Deed and shall assume the same obligations as a "Guarantor" and a "Chargor" as if it were an original party to this Deed; and
- 25.1.2 the other Obligors shall assume the same obligations in respect of the Additional Obligor as if it were an original party to this Deed.

Repetition of Representations

- 25.2 Delivery of an Accession Deed constitutes confirmation by the relevant Subsidiary that each of the representations and warranties referred to in Clause 9 (*Representations*) are true and correct in relation to it as the date of delivery as if made by reference to the facts and circumstances then existing.

26. Remedies and Waivers

- 26.1 No failure to exercise, nor any delay in exercising, on the part of the Chargee, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.
- 26.2 Any amendment, waiver or consent by the Chargee under this Deed must be in writing and may be given subject to any conditions thought fit by the Chargee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

27. Notices

Communications in writing

- 27.1 Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

Addresses

- 27.2 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Obligor and the Chargee for any communication or document to be made or delivered under or in connection with this Deed is the address, fax number or department or officer as any Obligor may notify to the Chargee (or the Chargee may notify to the Obligors, if a change is made by the Chargee) or, in the absence of such notice, its registered office.

Delivery

- 27.3 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- 27.3.1 if by way of fax, when received in legible form; or
- 27.3.2 if by way of letter, when it has been left at the relevant address or five business days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 27.2 (*Addresses*), if addressed to that department or officer.

- 27.4 Any communication or document to be made or delivered to the Chargee will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer identified with the Chargee's name in Clause 27.2 (*Addresses*) (or any substitute department or officer as it shall specify for this purpose).

- 27.5 Any communication or document made or delivered to the Parent in accordance with this Clause 27 (*Notices*) will be deemed to have been made or delivered to each of the Obligors.

English Language

- 27.6 Any notice or communication given or made under or in connection with this Deed must be in English.

- 27.7 All other documents provided under or in connection with this Deed must be:

27.7.1 in English; or

27.7.2 if not in English, and if so required by the Chargee, 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.

28. Counterparts

This Deed may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

29. Assignment

The Chargee may assign, charge or transfer all or any of its rights under this Deed in accordance with the terms of the Intercreditor Agreement. The Chargee may disclose any information about any Obligor and this Deed as the Chargee shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

30. Releases

Upon the expiry of the Liability Period (or as otherwise agreed by the Chargee) and subject to Clauses 21.3 and 21.4 (*Reinstatement*), the Chargee shall, at the request and cost of the relevant Obligor, take whatever action is necessary to release the Charged Property of that Obligor from the Security constituted by this Deed.

31. Governing Law

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

32. Enforcement

Jurisdiction

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

- 32.2 Each Obligor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary or take proceedings relating to a Dispute in any other courts.

- 32.3 Clauses 32.1 and 32.2 above are for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

- 32.4 Each Obligor irrevocably waives any right it may have to the trial by jury in any proceedings relating to a Dispute.

Waiver of Immunity

- 32.5 To the extent that any of the Obligors may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), that Obligor irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of that jurisdiction.

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

Schedule 1

The Obligors

Part 1 – The Chargors

Name	Company Number	Registered Office
Key Bidco Limited	07832465	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL
Key Midco Limited	07882099	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL
The A&A Group Limited	03578103	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL
Hyperformance Limited	03758951	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL

Part 2 – The Guarantors

Name	Company Number	Registered Office
Key Midco Limited	07882099	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL
The A&A Group Limited	03578103	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL
Hyperformance Limited	03758951	Garrick House, 161 High Street, Hampton Hill, Middlesex TW12 1NL

Schedule 2

Real Property

Part 1 - Registered Land

(Freehold, commonhold or leasehold property (if any) in England and Wales of which the relevant Chargor is registered as the proprietor at the Land Registry)

None at the date of this Deed

Part 2 - Unregistered Land

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at the Land Registry of which the relevant Chargor is the owner)

None at the date of this Deed

Schedule 3

Key-man Policies

Chargor	Insurer	Life Assured	Date of policy	Policy number	Amount of cover (life/critical illness) (£)
The A&A Group Limited	Legal & General	Anthony Allen	19 June 2012	016833639	1,000,000

Schedule 4

Intellectual Property

None at the date of this Deed

Schedule 5**Securities****Part 1 - Shares**

Name of Chargor	Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Registered holder
Key Midco Limited	Key Bidco Limited	1	Ordinary share of £1	Key Midco Limited
Key Bidco Limited	Hyperformance Limited	100,000	Ordinary share of £1.00	Key Bidco Limited
Key Bidco Limited	The A & A Group Limited	14,232,562	A ordinary shares	Key Bidco Limited
Key Bidco Limited	The A & A Group Limited	1,919,344	B ordinary shares	Key Bidco Limited
Key Bidco Limited	The A & A Group Limited	10	C ordinary shares	Key Bidco Limited

Part 2 – Other Securities

Name of Chargor	Details of issuer/company	Description of stock or other securities	Registered holder (if applicable)	Document evidencing or indicating title
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Schedule 6

Specified Contracts

None at the date of this Deed

Schedule 7

Form of Notice of Charge– Key-man Policies

Part 1 – Form of Notice

To: [Name of relevant life company]

Address: [] [Date]

Dear Sirs

[Name of relevant Chargor] - Key-man Insurance Policy[y] [is] Number[s] [•] [and [•] (the "Policy[y] [is]")

[insert name of Chargee] (the "Chargee") and [insert name of relevant Chargor] (the "Company") HEREBY GIVE NOTICE that by a charge contained in a debenture dated [•] and made between, inter alios, the Company and the Chargee (the "Debenture") the Company charged to the Chargee by way of fixed charge all of its present and future right, title and interest in and to the Policy[y][is], including all claims, the proceeds of all claims and all returns of premium in connection with the Policy[y][is].

The Policy[y][is], together with any new policy or policies in substitution for the Policy[y][is], and all policy documents, documents of title and endorsements relating to all such policies (including the Policy[y][is]), should be held to the order of the Chargee and all payments by you under or in connection with the Policy[y][is] should be made as the Chargee may direct and only on the Chargee's written instructions.

The Company confirms that:

- (i) in the event of any conflict between communications received from it and from the Chargee, the communication from the Chargee shall prevail;
- (ii) none of the instructions, authorisations or confirmations in this Notice of Charge (the "Notice") can be revoked or varied in any way except with the Chargee's specific written consent; and
- (iii) any written notice or instructions given to you by the Chargee in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Chargee at [address] the attention of [officer/department].

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

Yours faithfully,

.....
for and on behalf of
[insert name of relevant Chargor]

.....
for and on behalf of
[insert name of Chargee]

Part 2 - Form of Acknowledgement

[on duplicate]

To: **[insert name of Chargee]**

Address: **[]**

Attention: **[]**

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We agree to and confirm the following:

- (a) we will hold the Policy[y][is], together with any new policy or policies in substitution for the Policy[y][is] and all policy documents, documents of title and endorsements relating to all such policies (including the Policy[y][is]), to your order and accept, agree to and will comply with the terms of the Notice; and
- (b) we will send to you copies of any notices which we may give to the Company under such policies (including the Policy[y][is]) at the same time as we send them to the Company;
- (c) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, any such policies (including the Policy[y][is]); and
- (d) this acknowledgement is freely assignable or transferable by you, by any subsequent assignee, transferee or successor in title in accordance with the terms of such policies (including the Policy[y][is]) ("**Subsequent Party**") and by any receiver appointed by you or by any Subsequent Party pursuant to the Debenture.

Our agreement and confirmation in paragraph (a) above is given subject to our right of cancellation in respect of any such policies (including the Policy[y][is]) on default in payment of any premiums but we undertake with you (until such time as we receive notice to the contrary from you):

- (i) to advise you promptly if any such premiums are not received by us within 15 days of renewal falling due;
- (ii) not to exercise our right of cancellation on default in payment of any such premiums without giving you 15 days' notice in writing and therefore a reasonable opportunity of paying the premiums outstanding; and
- (iii) to notify you promptly of, and in any event before giving our agreement to, any material changes which are proposed to be made to the terms of any such policies (including the Policy[y][is]).

Yours faithfully

.....
for and on behalf of
[Name of relevant life company]

Schedule 8

Form of Notice of Charge – Specified Contracts

Part 1 – Form of Notice

To: [Name of relevant counterparty to Specified Contract]

Address: [] [Date]

Dear Sirs

[insert name of Chargee] (the “Chargee”) and [insert name of relevant Chargor] (the “Company”) HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [•] and made between, inter alios, the Company and the Chargee (the “Debenture”) the Company charged to the Chargee by way of fixed charge all of its present and future right, title and interest in and to the following agreement:

[describe agreement]

(the “Agreement”) including, but not limited to, the right to demand and receive all moneys whatsoever payable to or for the benefit of the Company under or arising from the Agreement, all remedies provided for in the Agreement or available at law or in equity in relation to the Agreement, the right to compel performance of the Agreement and all other rights, interests and benefits whatsoever accruing to or for the benefit of the Company arising from the Agreement.

All moneys payable by you to the Company pursuant to the Agreement shall be paid to the Company's account (account number [insert account number], sort code [insert sort code] and account reference “[insert account name]”) with the Chargee unless and until you receive notice from the Chargee to the contrary, in which event you should make all future payments as directed by the Chargee.

Notwithstanding the charge referred to above or the making of any payment by you to the Chargee pursuant to it, the Company shall remain liable under the Agreement to perform all the obligations assumed by it under the Agreement and neither the Chargee nor any receiver nor any delegate appointed by the Chargee or any such receiver shall be at any time under any obligation or liability to you under or in respect of the Agreement. The Company shall also remain entitled to exercise all its rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to the Company in each case unless and until you receive notice from the Chargee to the contrary when all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Chargee or as it directs.

The Company confirms that:

- (i) in the event of any conflict between communications received from it and from the Chargee, the communication from the Chargee shall prevail;
- (ii) none of the instructions, authorisations or confirmations in this Notice of Charge (the “Notice”) can be revoked or varied in any way except with the Chargee's specific written consent; and
- (iii) any written notice or instructions given to you by the Chargee in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Chargee at [address] for the attention of [officer/department].

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

Yours faithfully,

for and on behalf of
[insert name of relevant Chargor]

for and on behalf of
[insert name of Chargee]

Part 2 - Form of Acknowledgement

[on duplicate]

To: **[insert name of Chargee]**

Address: **[]**

Attention: **[]**

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We give any consent to the creation of the charge required pursuant to the Agreement and agree to and confirm that:

- (a) we will pay all moneys hereafter becoming due to the Company in respect of the Agreement as directed in the Notice and accept and will comply with the terms of the Notice;
- (b) we will send to you copies of any notices which we may give to the Company under the Agreement at the same time as we send them to the Company;
- (c) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, the Agreement or any other notice relating to the Agreement; and
- (d) this acknowledgement is freely assignable or transferable by you, by any subsequent assignee, transferee or successor in title in accordance with the terms of the Agreement ("**Subsequent Party**") and by any receiver appointed by you or by any Subsequent Party pursuant to the Debenture.

Yours faithfully

.....
for and on behalf of
[Name of relevant counterparty to Specified Contract]

Schedule 9

Form of Notice of Charge – Accounts not with the Chargee

Part 1 - Form of Notice

To: [Name of relevant bank or financial institution]

Address: [] [Date]

Dear Sirs

[insert name of Chargee] (the “Chargee”) and [insert name of relevant Chargon] (the “Company”) HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [•] and made between, inter alias, the Company and the Chargee (the “Debenture”) the Company charged to the Chargee by way of fixed charge all of its present and future right, title and interest in and to all moneys from time to time deposited in or standing to the credit of any bank account with any bank or financial institution, including the following account(s) (each a “Relevant Account”) maintained with you:

[Specify accounts: account name, account number, details of branch etc.].

Accordingly, the Company hereby irrevocably and unconditionally instructs and authorises you:

- (a) to disclose to the Chargee, without any reference to or further authority from the Company and without any enquiry by you as to the justification for such disclosure, such information relating to any of the Relevant Accounts and the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts as the Chargee may at any time and from time to time request you to disclose to it;
- (b) to hold all moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts to the order of the Chargee and to pay or release all or any part of such moneys in accordance with the written instructions of the Chargee at any time and from time to time; and
- (c) to comply with the terms of any other written notice or instructions that you receive at any time and from time to time from the Chargee in any way relating to the Debenture, any of the Relevant Accounts or the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts without any reference to or further authority from the Company and without any enquiry by you as to the justification for or validity of such notice or instructions.

The Chargee has agreed that the Company may withdraw any moneys from any of the Relevant Accounts without any reference to or further authority from the Chargee except to the extent that the Chargee gives you notice to the contrary. Upon and after the giving of such notice, the Company shall cease to be entitled to make any such withdrawal to the extent specified in the notice.

The Company confirms that:

- (i) in the event of any conflict between communications received from it and from the Chargee, the communication from the Chargee shall prevail;
- (ii) none of the instructions, authorisations or confirmations in this Notice of Charge (the “Notice”) can be revoked or varied in any way except with the Chargee's specific written consent; and
- (iii) any written notice or instructions given to you by the Chargee in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Chargee at [address] for the attention of [officer/department].

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

Yours faithfully,

for and on behalf of
[insert name of relevant Chargor]

for and on behalf of
[insert name of Chargee]

Part 2 - Form of Acknowledgement

[on duplicate]

To: *[insert name of Chargee]*

Address: []

Attention: []

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We agree to and confirm the following:

- (a) we accept and will comply with the terms of the Notice; and
- (b) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over or affecting any of the Relevant Accounts.

Yours faithfully

.....
for and on behalf of
[name of relevant bank or financial institution]

Schedule 10

Form of Accession Deed

THIS ACCESSION DEED is made on the [•] day of [•] 20[•]

BETWEEN:

- (1) **[INSERT THE NAMES OF THE ADDITIONAL OBLIGOR]** (registered in England and Wales under number []) (the **"Additional Obligor"**);
- (2) **KEY MIDCO LIMITED**, (registered in England and Wales under number 07882099 (the **"Parent"**); and
- (3) **CLOSE BROTHERS LIMITED TRADING AS CLOSE BROTHERS PREMIUM FINANCE** of 10 Crown Place, London EC2A 4FT (the **"Chargee"**).

WHEREAS:

- (•) This Deed is supplemental to a debenture (the **"Debenture"**) dated [•] (as may be supplemented, amended or restated from time to time) between, inter alia, the Company and the Chargee.
- (•) The Additional Obligor has agreed to charge in favour of the Chargee, on the terms contained in the Debenture, all of its property, undertaking and assets to secure the Secured Liabilities (as defined in the Debenture), and to accede to the Debenture.

1. Definitions and Interpretation

Words and phrases defined in the Debenture and principles of interpretation provided for in the Debenture shall, unless the context otherwise requires or unless otherwise re-defined below, have the same meaning and shall apply (as the case may be) to this Deed.

2. Accession by the Additional Obligor to the Debenture

- 2.1 The Additional Obligor agrees to be bound by the terms of the Debenture and to perform all its obligations (whether as Chargor or otherwise) under the Debenture (including for the avoidance of doubt, any guarantee obligations thereunder) with effect from the date of this Deed as if it had been an original party to the Debenture.
- 2.2 All the provisions of the Debenture shall apply to this Deed and, subject to Clauses 3 and 4 hereof, the Security hereby constituted as if incorporated herein in full (*mutatis mutandis*) and the same shall be construed accordingly with the intent and effect that all the rights, obligations, covenants, assurances and provisions express or implied contained in or subsisting in relation to the Debenture shall apply hereto and to the Security hereby constituted as if expressly set out herein and references to the **"Deed"** and abbreviated references to the same by words such as **"hereof"**, **"hereunder"**, **"hereto"** or **"herein"**, shall be read and construed accordingly.
- 2.3 The definition of **"Charged Property"** and each part thereof contained in the Debenture, shall for the avoidance of doubt, include all or the relevant part, of the rights, property, assets and undertaking mortgaged or charged as the case may be pursuant to Clauses 3 and 4 of this Deed.
- 2.4 The Additional Obligor covenants with the Chargee that it will •••, perform and discharge the Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with their terms or, in the absence of any such express terms, on demand.
- 2.5 The Parent (on behalf of itself and the other members of the Group which are parties to the Debenture) hereby agree to the Additional Obligor's accession.

3. Fixed Security

- 3.1 The Additional Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of legal mortgage all of its right, title and interest in and to the freehold, commonhold and leasehold property now vested in it (including, but not limited to, the freehold, commonhold and leasehold property (if any) specified in Schedule 1 (*Real Property*)).
- 3.2 The Additional Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of fixed charge all of its right, title and interest in and to the following assets, both present and future:
- 3.2.1 all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under Clause 3.1 above);
 - 3.2.2 all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
 - 3.2.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
 - 3.2.4 all amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;
 - 3.2.5 all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);
 - 3.2.6 all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;
 - 3.2.7 all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;
 - 3.2.8 all moneys from time to time deposited in or standing to the credit of any bank account with the Chargee or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same));
 - 3.2.9 all Securities and their Related Rights;
 - 3.2.10 all of its goodwill and uncalled capital;
 - 3.2.11 all Intellectual Property;
 - 3.2.12 all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable in respect of them;
 - 3.2.13 each of the Specified Contracts, together with:

- (a) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
- (b) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
- (c) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
- (d) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with the Chargee or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

Assignment

- 3.3 The Additional Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, assigns to the Chargee absolutely, subject to a provision for reassignment on redemption, by way of a legal assignment subject to a proviso for reassignment on redemption all of that Chargor's right, title and interest in and [insert details of any assigned Charged Property].

4. Floating Charge

Creation of Floating Charge

- 4.1 The Additional Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Chargee by way of • floating charge the whole of its undertaking and assets, present and future, including all of its stock in trade and all assets of the Additional Chargor not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security pursuant to Clause 3 (*Fixed Security*).

Qualifying Floating Charge

- 4.2 The provisions of paragraph 14 of Schedule • 1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*).

Conversion by Notice

- 4.3 The Chargee may by notice in writing at any time to the Additional Chargor convert the floating charge created by the Additional Chargor pursuant to Clause 4.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge (either generally or specifically as regards any assets of the Additional Chargor specified in the notice) if:
 - 4.3.1 an Event of Default has occurred; or
 - 4.3.2 the Chargee considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process or that it is desirable to do so in order to protect or preserve the Security constituted by this Deed over any of the Charged Property and/or the priority of that Security.

Automatic Conversion

- 4.4 Notwithstanding Clause 4.3 (*Conversion by Notice*) and without prejudice to any law which may have a similar effect, each floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to that floating charge if:
- 4.4.1 a Declared Default has occurred;
 - 4.4.2 the Additional Chargor creates or attempts to create any Security over any of the Charged Property (other than any Security permitted under the Close Facilities Agreement);
 - 4.4.3 any Additional Chargor disposes or attempts to dispose of all or any of its assets other than as permitted in accordance with the Close Facilities Agreement or in the ordinary course of its trading;
 - 4.4.4 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
 - 4.4.5 a resolution is passed or an order is made for the winding up, dissolution, administration or re organisation of any Chargor or an administrator is appointed in respect of any Chargor other than as permitted under the Close Facilities Agreement or with the prior written consent of the Chargee.

5. Leasehold security restrictions

- 5.1 There shall be excluded from the Security created by this Deed, and from the operation of Clause 10 (*Undertakings*) of the Debenture, any leasehold property held by a Additional Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Additional Chargor from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained.
- 5.2 For each Excluded Property, each relevant Additional Chargor undertakes to:
- 5.2.1 where requested to do so by the Chargee, apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this Deed (in relation to Excluded Property owned at the date of this Deed) or within five Business Days of the relevant Additional Chargor acquiring the Excluded Property (if otherwise) and, to use its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible;
 - 5.2.2 upon request, keep the Chargee informed of its progress in obtaining such consent or waiver; and
 - 5.2.3 forthwith upon receipt of such consent or waiver, provide the Chargee with a copy.
- 5.3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Chargee under clause 3 (*Fixed Security*) as the case may be. If reasonably required by the Chargee at any time following receipt of that waiver or consent, the relevant Additional Chargor will execute a further valid fixed charge in such a form as the Chargee shall require (acting reasonably).

6. Power of Attorney

Appointment and Powers

- 6.1 The Additional Chargor, by way of security, irrevocably appoints the Chargee, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed, to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- 6.1.1 carrying out any obligation imposed on the Additional Chargor by this Deed; and
- 6.1.2 enabling the Chargee or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

Ratification

- 6.2 The Additional Chargor shall ratify and confirm all lawful transactions entered into by any attorney pursuant to its appointment under Clause 6.1 (*Appointment and Powers*), other than where such liability arises from the gross negligence or wilful default on the part of the attorney.

7. Further Assurance

- 7.1 The Additional Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee or any Receiver (or any Delegate) may reasonably specify (and in such form as the Chargee or any Receiver (or any Delegate) may reasonably require in favour of the Chargee or its nominee(s)) to:
 - 7.1.1 perfect the Security created or intended to be created in respect of the Charged Property (which may include the execution by the Additional Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
 - 7.1.2 confer on the Chargee Security over any property and assets of the Additional Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed;
 - 7.1.3 facilitate the exercise of any rights, powers and remedies of the Chargee or any Receiver or Delegate provided by or pursuant to this Deed or by law;
 - 7.1.4 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property; and/or
 - 7.1.5 create any charge by way of legal mortgage over any freehold, commonhold or leasehold property which becomes vested in the Additional Chargor after the date of this Deed.

Necessary Action

- 7.2 The Additional Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Chargee by or pursuant to this Deed.

8. Notices

All Notices or demands to be given or made pursuant to this Deed shall be given or made in the manner set out in Clause 28 (*Notices*) of the Debenture. The Additional Chargor's address of service is that set out with its signature below.

9. 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. Delivery of an electronic counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

10. Governing Law

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

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

Schedule 1 of the Accession Deed

Real Property

[insert details if any]

THE ADDITIONAL CHARGOR

EXECUTED AS A DEED by)
KEY MIDCO LIMITED)
on being signed by a Director)
in the presence of:) (Director)

Witness signature:

Witness name:

Witness address:

.....

.....

Witness occupation:

EXECUTED AS A DEED by)
[•])
on being signed by a Director)
in the presence of:) (Director)

Witness signature:

Witness name:

Witness address:

.....

.....

Witness occupation:

Address:

Fax Number:

For the Attention of:

THE CHARGEES

CLOSE BROTHERS LIMITED TRADING AS CLOSE BROTHERS PREMIUM FINANCE

By:

EXECUTION PAGE TO DEBENTURE

THE CHARGORS

EXECUTED AS A DEED by
KEY MIDCO LIMITED
on being signed by a Director
in the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

EXECUTED AS A DEED by
KEY BIDCO LIMITED
on being signed by a Director
in the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

EXECUTED AS A DEED by
HYPERFORMANCE LIMITED
on being signed by a Director
in the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

**EXECUTED AS A DEED by
THE A & A GROUP LIMITED**
on being signed by a Director
in the presence of:

)
)
)
)

[Redacted Signature]

(Director)

Witness signature:

[Redacted Signature]

Witness name:

Heather Blackmore

Witness address:

[Redacted Address]

Witness occupation:

[Redacted Occupation]

THE GUARANTORS

**EXECUTED AS A DEED by
KEY MIDCO LIMITED**
on being signed by a Director
in the presence of:

)
)
)
)

[Redacted Signature]

(Director)

Witness signature:

[Redacted Signature]

Witness name:

Heather Blackmore

Witness address:

[Redacted Address]

Witness occupation:

**EXECUTED AS A DEED by
HYPERFORMANCE LIMITED**
on being signed by a Director
in the presence of:

)
)
)
)

[Redacted Signature]

(Director)

Witness signature:

[Redacted Signature]

Witness name:

Heather Blackmore

Witness address:

[Redacted Address]

Witness occupation:

[Redacted Occupation]

EXECUTED AS A DEED by
THE A & A GROUP LIMITED
on being signed by a Director
in the presence of:

)
)
)
)



(Director)

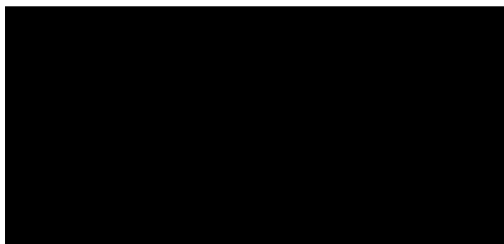


Witness signature:

Witness name:

.....
Heather Blackmore

Witness address:



Witness occupation:

THE CHARGE

CLOSE BROTHERS LIMITED TRADING AS CLOSE BROTHERS PREMIUM FINANCE

By: