

671201/23

In accordance with  
Sections 859A and  
859J of the Companies  
Act 2006.

# MR01

 laserform

## Particulars of a charge



**Go online to file this information**  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**A fee is be payable with this form**  
Please see 'How to pay'


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

☒ **What this form is NOT**  
You may not use this form to  
register a charge where  
instrument. Use form MR



\*A64EMMWH\*  
A04 15/04/2017 #103  
COMPANIES HOUSE

This form must be delivered to the Registrar for registration within  
**21 days** beginning with the day after the date of creation of the charge. If  
delivered outside of the 21 days it will be rejected unless it is accompanied by a  
court order extending the time for delivery.

 **You must enclose a certified copy of the instrument with this form. This will be  
scanned and placed on the public record. Do not send the original.**

### 1 Company details

Company number / 0 8 2 7 5 4 6 2

Company name in full BC Music Media Limited

 For official use

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date 0 5 0 4 2 0 1 7

### 3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees  
entitled to the charge.

Name ✓ BCI Europe Limited SA RL (Compartment B)

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below.

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge.

MR01

Particulars of a charge

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**Brief description**

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

Not applicable

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

5

**Other charge or fixed security**

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

**Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

**Negative Pledge**

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

8

**Trustee statement ①**

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

① This statement may be filed after the registration of the charge (use form MR06).

9

**Signature**

Please sign the form here.

Signature

Signature

X

Maeflaes LLP

X

This form must be signed by a person with an interest in the charge.

# MRQ1

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Clare Golding

Company name Macfarlanes LLP

Address 20 Cursitor Street

Post town

County/Region London

Postcode E C 4 A 1 L T

Country UK

DX DX No: 138 Chancery Lane

Telephone +44 (0)20 7831 9222



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



### Important information

Please note that all information on this form will appear on the public record.



### How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



### Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

**For companies registered in England and Wales:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**For companies registered in Scotland:**

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post).

**For companies registered in Northern Ireland:**

The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG.  
DX 481 N.R. Belfast 1.



### Further information

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)



**FILE COPY**

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

Company number: 8275462

Charge code: 0827 5462 0001

*The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th April 2017 and created by BC MUSIC MEDIA LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th April 2017.*

Q

Given at Companies House, Cardiff on 26th April 2017



**Companies House**



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

Date 5 April 2017

**THE COMPANIES identified in schedule 1  
as Original Chargors**

**BCI EUROPE LIMITED S.A R.L (acting on behalf of Compartment B)  
as Lender**

**SECURITY AGREEMENT**

SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G  
COMPANIES ACT 2006, THIS COPY INSTRUMENT IS  
CERTIFIED TO BE A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.

*MacFarlanes LLP*  
DATE: *12 April 2017*

MACFARLANES LLP  
20 CURSITOR STREET  
LONDON EC4A 1LT

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**DATE**

5 April

2017

**PARTIES**

- 1 **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (the "**Original Chargors**"); and
- 2 **BCI EUROPE LIMITED S.À R.L (acting on behalf of Compartment B)**, a Luxembourg private limited liability company (société à responsabilité limitée), having its registered office at 3A, Val Ste Croix, L-1371, Luxembourg (the "**Lender**").

**BACKGROUND**

- A The Chargors are entering into this deed in connection with the Finance Documents.
- B The Lender and the Chargors intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED** as follows:

1 **Definitions and interpretation**

1.1 **Definitions**

Unless otherwise provided in this deed, terms defined in the Facilities Agreement shall have the same meaning where used in this deed.

In addition, in this deed, unless the context otherwise requires, the following words shall have the following meanings:

**Accounts:** all accounts, and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by any Chargor or in which any Chargor has an interest;

**Additional Chargor:** any person which becomes a Chargor by executing a Deed of Accession;

**Administrator:** a person appointed in accordance with Sched B1 Insolvency Act 1986 to manage a Chargor's affairs, business and property;

**Assigned Agreements:** any agreement designated in writing as an Assigned Agreement by the Parent and the Lender;

**Charged Assets:** all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them);

**Chargor:** an Original Chargor or an Additional Chargor;

**Debts:** all book and other debts, of any kind whatsoever now or at any time hereafter (and from time to time) due, owing or payable to any Chargor or in which any Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same;

**Declared Default:** an Event of Default which has resulted in the Lender exercising any of its rights under clause 14.12 (*Acceleration*) of the Facilities Agreement;

**Deed of Accession:** a deed substantially in the form of schedule 4 (*Form of Deed of Accession*);

**Equipment:** all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by any Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same;

**Facility Agreement:** the agreement dated on or around the date of this deed and made between (a) BC Music Holdings Limited as Parent, (b) BC Music Media Limited as the Borrower, and (c) the Lender, relating to a loan facility;

**Floating Charge Assets:** all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it);

**Goodwill:** all goodwill now or at any time hereafter (and from time to time) of or in a Chargor;

**Insolvency Event:** the occurrence of any of the events or circumstances set out in clauses 14.15 (*Insolvency*) – 14.16 (*Insolvency process*) (inclusive) of the Facility Agreement;

**Insurance Policies:** all contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies, now or at any time hereafter (and from time to time) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties;

**Intellectual Property:** all interests in respect of any patent (including supplementary protection certificates), trade mark, service mark, trade name, registered design, design right, copyright, know-how, utility model, topographical or similar right, moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case, any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest;

**LPA:** the Law of Property Act 1925;

**Obligor:** each Obligor as defined in the Facility Agreement;

**Pension Fund Interests:** all interests and rights now or at any time hereafter (and from time to time) owned or held by any Chargor in relation to any pension fund;

**Properties:** all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at any time hereafter (and from time to time) owned by any Chargor;

**Property Interests:** all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by any Chargor;

**Receiver:** a person appointed by the Lender to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Chargor;

**Restrictions Notice:** a "restrictions notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006;



**Secured Liabilities:** all present and future liabilities and obligations at any time due, owing or incurred by each Obligor to the Lender, both actual and contingent and whether incurred solely or jointly, as principal or surety and/or in any other capacity;

**Securities:** all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned by any Chargor, or in which any Chargor has an interest, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof;

**Securities Issuer:** the issuer of any Securities;

**Security Period:** the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

**Uncalled Capital:** in relation to a Chargor, all the uncalled capital now or at any time hereafter (and from time to time) of that Chargor; and

**Warning Notice:** a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

## 1.2 Construction

1.2.1 Unless otherwise provided in this deed, the provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this deed as though they were set in full in this deed, *mutatis mutandis*.

1.2.2 In this deed (unless the context requires otherwise) any reference to:

1.2.2.1 each Chargor, each Obligor, each Lender, any Securities Issuer, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements;

1.2.2.2 a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended (however fundamentally, including any amendment providing for any increase in the amount of any facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of any Finance Document or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Lender;

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

1.2.2.4 the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 9.1 (*Enforcement events*);

1.2.2.5 "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred;

- 1.2.2.6 "law" includes the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing;
- 1.2.2.7 a provision of law is a reference to that provision as amended or re-enacted from time to time;
- 1.2.2.8 a time of day is a reference to London time;
- 1.2.2.9 any gender includes a reference to the other genders;
- 1.2.2.10 the singular includes a reference to the plural and vice versa; and
- 1.2.2.11 a clause or schedule is to a clause or schedule (as the case may be) of or to this deed.

1.2.3 Clause and schedule headings are for ease of reference only.

### 1.3 **Nature of security over real property**

A reference in this deed to any freehold, leasehold or commonhold property includes:

- 1.3.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- 1.3.2 the proceeds of sale of any part of that property; and
- 1.3.3 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any monies paid or payable in respect of those covenants.

### 1.4 **Secured Liabilities**

References in this deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing.

## 2 **Covenant to pay; Further advances**

### 2.1 **Covenant to pay**

Each Chargor hereby covenants with the Lender that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Lender when the same become due in accordance with the terms of the Finance Documents, whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Lender in relation to any such Secured Liabilities or generally in respect of the Chargors.

## **2.2 Potential invalidity**

Neither the covenant to pay in clause 2.1 (*Covenant to pay*) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

## **2.3 Further advances**

This deed secures further advances made under or pursuant to the terms of the Finance Documents and the Lenders are, subject to and upon the terms and conditions of the Finance Documents, under an obligation to make further advances.

## **3 Grant of security**

### **3.1 Fixed security**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee hereby:

3.1.1 grants to the Lender a charge by way of legal mortgage over all its Properties which are listed in schedule 2 (*Properties currently owned*) opposite its name;

3.1.2 charges to the Lender, by way of first fixed charge, all its:

3.1.2.1 Properties acquired by it after the date of this deed;

3.1.2.2 Property Interests;

3.1.2.3 Equipment;

3.1.2.4 Securities;

3.1.2.5 Intellectual Property;

3.1.2.6 Insurance Policies;

3.1.2.7 Debts;

3.1.2.8 Accounts;

3.1.2.9 Pension Fund Interests;

3.1.2.10 Goodwill and Uncalled Capital; and

3.1.2.11 rights, title and interest to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 inclusive;

3.1.3 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies; and

3.1.4 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements.

## **3.2 Floating security**

### **3.2.1 Floating charge**

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby charges to the Lender, by way of first floating charge, (a) all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 (*Fixed security*) inclusive and (b) all its assets situated in Scotland.

### **3.2.2 Qualifying floating charge**

Sched B1 para 14 Insolvency Act 1986 (as inserted by s.248 of, and Sched 16 Enterprise Act 2002) applies to the floating charge created by this deed.

### **3.2.3 Automatic conversion of floating charge**

Notwithstanding anything express or implied in this deed, and without prejudice to any law which may have similar effect, if:

3.2.3.1 an Event of Default has occurred; or

3.2.3.2 any Chargor creates or attempts to create any Security (other than as permitted under the Facility Agreement and subject to any applicable grace period contained therein) or any trust in favour of another person over any Floating Charge Asset; or

3.2.3.3 any Chargor disposes or attempts to dispose of any Floating Charge Asset other than as permitted under the Facility Agreement or in the ordinary course of its trading; or

3.2.3.4 an Insolvency Event has occurred,

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over all the Floating Charge Assets or, in the case of clauses 3.2.3.2 and 3.2.3.3, over the relevant Floating Charge Asset.

### **3.2.4 Conversion of floating charge by notice**

Notwithstanding anything express or implied in this deed, if:

3.2.4.1 an Event of Default has occurred; or

3.2.4.2 the Lender considers (in its sole discretion) that any Floating Charge Assets are in jeopardy,

the Lender may at any time thereafter, by notice to a Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the relevant Chargor specified in such notice (but without prejudice to the Lender's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Lender whatsoever).

### **3.2.5 Assets acquired after any floating charge conversion**

Any asset acquired by any Chargor after any conversion of the floating charge created under this deed, in accordance with clauses 3.2.3 (*Automatic conversion of floating charge*) or 3.2.4 (*Conversion of floating charge by notice*) which but for such conversion would be subject to a floating charge shall,

(unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

**3.2.6 Reconversion of fixed charge assets into floating charge assets**

The Lender may at any time after any conversion of the floating charge created under this deed over any Charged Assets into a fixed charge in accordance with clauses 3.2.3 (*Automatic Conversion of floating charge*) or 3.2.4 (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the relevant Chargor.

**3.3 Title documents**

Each Chargor shall, within two Business Days of request by the Lender, deposit with the Lender (and the Lender shall during the continuance of this security be entitled to hold):

3.3.1 all deeds and documents of title relating to the Charged Assets as the Lender may from time to time require; and

3.3.2 all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Lender may from time to time require.

**3.4 Security notices**

Each Chargor shall, within two Business Days of request by the Lender:

3.4.1 give notice substantially in the form set out in part 1 of schedule 5 (*Form of notice to insurers*) to the relevant insurers of the assignment pursuant to clause 3.1.3 (*Fixed security*) of its rights and interest in and under the Insurance Policies and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in part 2 of schedule 5 (*Form of acknowledgement from insurers*);

3.4.2 give notice substantially in the form set out in part 1 of schedule 6 (*Form of notice to counterparties of Assigned Agreements*) to the other parties to the Assigned Agreements to which it is a party of the assignment pursuant to clause 3.1.4 (*Fixed security*) of its rights and interest in and under the Assigned Agreements and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in part 2 of schedule 6 (*Form of acknowledgement from counterparties to Assigned Agreements*); and

3.4.3 save in relation to any account held with the Lender (in respect of which the execution of this deed (or, in the case of an Additional Chargor, the relevant Deed of Accession) by the relevant Chargor and the Lender shall constitute notice to the Lender of the charge created by this deed over that Chargor's rights and interests under such account), give notice substantially in the form set out in part 1 of schedule 7 (*Form of notice of charge to third party bank*) to the banks, financial institutions and other persons of its charging to the Lender pursuant to clause 3.1.2.8 (*Fixed security*) of its rights and interests under such accounts and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in part 2 of schedule 7 (*Form of acknowledgement from third party bank*).

**3.5 Leasehold security restrictions**

3.5.1 There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*), 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.

3.5.2 For each Excluded Property, each relevant Chargor undertakes to:

3.5.2.1 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;

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

3.5.2.3 forthwith upon receipt of such consent or waiver, provide the Lender with a copy.

3.5.3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Lender under clause 3.1.1, clause 3.1.2.1 or clause 3.1.2.2 (*Fixed security*) as the case may be. If required by the Lender at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge in such form as the Lender shall require.

#### **4 Restrictions on dealing**

##### **4.1 Negative pledge and restriction on disposal**

Each Chargor hereby covenants with the Lender that it will not at any time except in accordance with the terms of the Facility Agreement or with the prior consent of the Lender:

4.1.1 create or purport to create or permit to subsist any Security on or in relation to the Charged Assets; or

4.1.2 enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of, any interest in any Charged Assets.

##### **4.2 Land Registry restriction**

4.2.1 In respect of any Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or any Deed of Accession, each Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [name of Lender] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer".

4.2.2 Each Chargor authorises the Lender to make any application which it deems appropriate for the designation of this deed or any other Finance Document as an exempt information document under rule 136 Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Lender. Each Chargor will notify the Lender in writing as soon as it receives notice of any person's application under rule 137 Land

Registration Rules 2003 for the disclosure of this deed or any other Finance Document, following its designation as an exempt information document and will not make any application under rule 138 Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.

## **5 Securities**

### **5.1 Registration of Securities**

The Lender may at any time cause any or all of the Securities to be registered in the name of the Lender or its nominee. Each Chargor agrees promptly to execute and deliver to the Lender all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration.

### **5.2 Additional registration obligations**

Each Chargor hereby:

- 5.2.1 grants and agrees to procure as necessary, all consents, waivers, approvals and permissions which are necessary, under the articles of association of any Securities Issuer or otherwise, for the transfer of the Securities to the Lender or its nominee or to a purchaser upon enforcement of this deed; and
- 5.2.2 agrees to procure the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Lender may require in order to permit such a transfer.

### **5.3 Dividends and voting rights prior to enforcement**

Until the security constituted by this deed becomes enforceable:

- 5.3.1 all cash dividends or other cash distributions paid or payable in respect of the Securities may be paid directly to the relevant Chargor which shall be permitted to apply such dividends or distributions as it deems fit to the extent permitted by the Facility Agreement;
- 5.3.2 any cash dividends or other cash distributions paid in respect of any of the Securities and received by the Lender or its nominee shall, on request by the relevant Chargor, be released and paid to such Chargor;
- 5.3.3 the relevant Chargor may exercise all voting and other rights and powers attaching to the Securities and exercisable by the relevant Chargor provided that the exercise of such voting and other rights and powers would not prejudice the Lender's security under this deed or the value of the Securities or contravene any Finance Document; and
- 5.3.4 the Lender will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Securities and exercisable by the Lender or its nominee as the relevant Chargor may from time to time direct provided that acting in accordance with such directions would not prejudice the Lender's security under this deed or the value of the Securities or contravene any Finance Document.

### **5.4 Dividends and voting rights post enforcement**

After the security constituted by this deed has become enforceable:

- 5.4.1 all dividends and other distributions paid in respect of the Securities and received by any Chargor shall be held on trust for the Lender and forthwith

paid into an Account or, if received by the Lender or its nominee, shall be retained by the Lender; and

- 5.4.2 (subject to service of notice on the relevant Chargor of the intention to do so for the purpose of preserving or realising the value of the relevant Securities) the Lender may exercise or direct the exercise (or refrain from exercising or directing the exercise) of all voting and other rights and powers attaching to the Securities as the Lender may in its absolute discretion think fit and each Chargor shall, and shall procure that its nominees shall, comply with any such directions from the Lender concerning the exercise of such rights and powers.

## 5.5 **Warning Notice or Restrictions Notice**

- 5.5.1 Each Chargor represents and warrants to the Lender that no Warning Notice or Restrictions Notice has been issued to it in respect of all or any part of the Securities and remains in effect.
- 5.5.2 Each Chargor shall comply with any notice served on it in respect of all or any part of the Securities pursuant to part 21A of the Companies Act 2006 within the timeframe specified in that notice and shall deliver a copy of any such notice to the Lender promptly upon receipt.

## 5.6 **Additional undertakings**

Each Chargor further undertakes to the Lender that it shall:

- 5.6.1 duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Securities, it being acknowledged by the Chargors that the Lender shall be under no liability whatsoever in respect of any such calls, instalments or other moneys;
- 5.6.2 not without the Lender's prior consent or unless permitted under the Facility Agreement amend, or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Securities;
- 5.6.3 ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no Securities Issuer will:
- 5.6.3.1 consolidate or sub-divide any of its Securities or reduce or re-organise its share capital in any way (other than as permitted under the Facility Agreement);
- 5.6.3.2 issue any new shares or stock (other than as permitted under the Facility Agreement); or
- 5.6.3.3 refuse to register any transfer of any of its Securities which may be lodged for registration by or on behalf of the Lender or a Chargor in accordance with this deed; and
- 5.6.4 promptly give notice of this deed to any custodian of any Securities in any form which the Lender may reasonably require and use its reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Lender may reasonably require.

## 6 **Uncalled Capital**

Each Chargor further covenants with the Lender that it will not call up, or receive in advance of calls, any Uncalled Capital and it will apply all proceeds of any Uncalled Capital, immediately on receipt, towards the discharge of the Secured Liabilities.



## **7 Representations and warranties**

### **7.1 Representations and warranties**

Each Chargor represents and warrants to the Lender, on the date of this deed (in the case of each Original Chargor) or on the date of the relevant Accession Deed (in the case of each Additional Chargor), as follows:

- 7.1.1 it is (except as permitted under the terms of the Finance Documents) the legal and beneficial owner of the Charged Assets;
- 7.1.2 it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in them;
- 7.1.3 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Charged Assets;
- 7.1.4 no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use;
- 7.1.5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property;
- 7.1.6 there is no prohibition on assignment in any Insurance Policy or any Assigned Agreement (or guarantee or security for the performance thereof), and its entry into this deed or the relevant Deed of Accession (as applicable) will not constitute a breach of any Insurance Policy or any Assigned Agreement (or guarantee or security for the performance thereof); and
- 7.1.7 this deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

### **7.2 Repetition**

The representations and warranties set out in clause 7.1 (*Representations and warranties*) will be deemed to be repeated by each Chargor on each day the Repeating Representations are deemed to be repeated by reference to the facts and circumstances then existing.

### **7.3 Notice of breach**

Each Chargor will promptly upon becoming aware of the same give the Lender notice in writing of any breach of any representation or warranty set out in clause 7.1 (*Representations and warranties*).

## **8 Power to remedy**

- 8.1 If a Chargor is at any time in breach of any of its obligations contained in this deed, the Lender shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Lender and its agents to do all things necessary or desirable in connection therewith.
- 8.2 The rights of the Lender contained in this clause 8 are without prejudice to any other rights of the Lender hereunder and the exercise by the Lender of its rights under this clause shall not make the Lender liable to account as a mortgagee in possession.

## **9 Enforcement**

### **9.1 Enforcement events**

The security constituted by this deed shall become immediately enforceable if a Declared Default occurs.

### **9.2 Statutory power of sale**

The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Lender shall not exercise such power of sale until the security constituted by this deed has become enforceable.

### **9.3 Extension of statutory powers**

9.3.1 Any restriction imposed by law on the power of sale (including under s.103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s.93 LPA) does not apply to the security constituted by this deed and the Lender or any Receiver shall have the right to consolidate all or any of the security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same.

9.3.2 Any powers of leasing conferred on the Lender or any Receiver by law are extended so as to authorise the Lender or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under ss.99 or 100 LPA).

### **9.4 No obligation to enquire**

No person dealing with the Lender, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire:

9.4.1 whether the security constituted by this deed has become enforceable;

9.4.2 whether any power exercised or purported to be exercised has become exercisable;

9.4.3 whether any money remains due under the Finance Documents;

9.4.4 as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets; or

9.4.5 how any money paid to the Lender, Administrator or Receiver, or its agents or brokers is to be applied.

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

None of the Lender, any Administrator or any Receiver shall be liable:

9.5.1 to account as mortgagee in possession in respect of all or any of the Charged Assets; or

9.5.2 for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable.

**9.6 Power to dispose of chattels**

After the security constituted by this deed has become enforceable, the Lender, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Lender, the Administrator or the Receiver shall be indemnified by such Chargor against any liability arising from such disposal.

**9.7 Redemption of prior Security**

At any time after the security constituted by this deed shall have become enforceable the Lender may:

- 9.7.1 redeem any prior Security;
- 9.7.2 procure the transfer thereof to itself; and/or
- 9.7.3 settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Chargor and all monies paid by the Lender to the prior encumbrancer in accordance with such accounts shall as from such payment be due from such Chargor to the Lender on current account and shall bear interest and be secured as part of the Secured Liabilities.

**10 Administrator and Receiver**

**10.1 Appointment of Administrator or Receiver**

At any time after:

- (a) the security constituted by this deed becomes enforceable;
- (b) any corporate action or any other steps are taken or legal proceedings started by or in respect of any Obligor with a view to the appointment of an Administrator; or
- (c) at the request of the relevant Chargor,

the Lender may without further notice, under seal or by writing under hand of a duly authorised officer of the Lender:

- 10.1.1 appoint any person or persons to be an Administrator of any Chargor; or
- 10.1.2 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor; and
- 10.1.3 (subject to s.45 Insolvency Act 1986) from time to time remove any person appointed to be a Receiver and appoint another in his place.

**10.2 More than one appointment**

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Lender specifies to the contrary).

**10.3 Additional powers**

- 10.3.1 The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s.109 LPA or otherwise.

- 10.3.2 The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Lender notwithstanding any prior appointment in respect of all or any part of the Charged Assets.

**10.4 Agent of the relevant Chargor**

- 10.4.1 Any Administrator or Receiver shall be the agent of the relevant Chargor and the relevant Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

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

**10.5 Powers of Administrator and Receiver**

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Sched B1 Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed):

- 10.5.1 (in respect of a Receiver) all of the powers of an administrative receiver set out in Sched 1 Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 10.5.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 10.5.3 all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any relevant Chargor itself could do or omit to do; and
- 10.5.4 the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any relevant Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit; and the execution of documents in the name of the relevant Chargor (whether under hand, or by way of deed or by utilisation of the company seal of such Chargor)).

**11 Amounts received**

**11.1 Application of proceeds**

The Receiver shall apply all monies received by him (other than insurance monies):

- 11.1.1 first in paying all rents, taxes, duties, rates and outgoings affecting any Charged Assets;
- 11.1.2 secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him;
- 11.1.3 thirdly in paying his remuneration (as agreed between him and the Lender);
- 11.1.4 fourthly in or towards discharge of the Secured Liabilities in such order and manner as the Lender shall determine; and
- 11.1.5 finally in paying any surplus to the Chargors or any other person entitled to it.

**11.2 Section 109(8) Law of Property Act 1925**

Neither the Lender nor any Receiver or Administrator shall be bound (whether by virtue of s.109(8) LPA, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

**11.3 Currencies of denomination**

For the purpose of or pending the discharge of any of the Secured Liabilities the Lender may convert any monies received, recovered or realised by the Lender under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Lender may think fit and any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange.

**11.4 Suspense account**

All monies received recovered or realised by the Lender under this deed may at the discretion of the Lender be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Lender thinks fit pending the application from time to time (as the Lender shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities.

**11.5 New accounts**

If the Lender receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets, the Lender may open a new account or accounts for the relevant Chargor in its books and (without prejudice to the Lender's right to combine accounts) no money paid to the credit of such Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Lender does not open a new account or accounts immediately on receipt of such notice then unless the Lender gives express notice to the contrary to the relevant Chargor as from the time of receipt of such notice by the Lender all payments made by the relevant Chargor to the Lender in the absence of any express appropriation by such Chargor to the contrary shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities.

**11.6 Lender set-off rights**

If the Lender shall have more than one account for any Chargor in its books the Lender may at any time after the security constituted by this deed has become enforceable or the Lender has received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Lender shall notify the relevant Chargor of the transfer having been made.

**12 Power of attorney and delegation**

**12.1 Power of attorney**

Each Chargor hereby by way of security irrevocably appoints the Lender and (jointly and severally) each and every Administrator or Receiver of this deed to be the attorney of such Chargor and in its name and on its behalf and as its act and deed or otherwise and at any time while an Event of Default is continuing to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument or act which such Administrator or Receiver or the Lender may consider expedient in the exercise of any of his or its powers or in respect of such Chargor's obligations under this deed. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971.

## **12.2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm:

12.2.1 all transactions entered into by the Lender and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this deed; and

12.2.2 all transactions entered into by the Lender and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act.

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

## **13 Protection of security and further assurance**

### **13.1 Independent security**

This deed shall be in addition to and independent of every other security or guarantee that the Lender or any other Secured Party may at any time hold for any of the Secured Liabilities. No prior security held by the Lender or any other Secured Party over the whole or any part of the Charged Assets shall merge in the security created by this deed.

### **13.2 Continuing security**

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part.

### **13.3 No waivers; rights cumulative**

No failure to exercise, nor delay in exercising, on the part of the Lender or any Secured Party, any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy. The rights and remedies of the Lender and each Secured Party provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

### **13.4 No Chargor set-off**

Each Chargor waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by such Chargor under this deed).

### **13.5 Further assurance**

13.5.1 Each Chargor shall, promptly upon request by the Lender or any Receiver or Administrator, at its own expense, take whatever action the Lender or a Receiver or Administrator may require for:

13.5.1.1 creating, perfecting or protecting any security intended to be created by or pursuant to this deed;

13.5.1.2 facilitating the realisation of any Charged Asset;

13.5.1.3 exercising any right, power or discretion conferred on the Lender, or any Receiver or any Administrator or any of their

respective delegates or sub-delegates in respect of any Charged Asset; or

13.5.1.4 creating and perfecting security in favour of the Lender (equivalent to the security intended to be created by this deed) over any assets of any Chargor located in any jurisdiction outside England and Wales.

13.5.2 This includes:

13.5.2.1 the re-execution of this deed;

13.5.2.2 the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Lender or to its nominee; and

13.5.2.3 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender (or the Receiver or Administrator, as appropriate) may think expedient.

#### **14 Costs and indemnity**

14.1 The provisions of clause 9 (Fee, Costs and expenses) of the Facility Agreement are incorporated into this deed as if set out in full *mutatis mutandis*.

14.2 Each Chargor hereby agrees to indemnify and hold harmless the Lender, any Administrator and any Receiver from and against all actions, claims, expenses, demands and liabilities, whether arising out of contract or in tort or in any other way, which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers pursuant to this deed.

#### **15 Miscellaneous**

##### **15.1 Benefit of Deed**

The benefit of this deed will be held by the Lender on and subject to the terms of the Facility Agreement on trust for the benefit of itself and the other Lender without preference or priority amongst themselves as security for the Secured Liabilities, except as provided under the Facility Agreement.

##### **15.2 Certificates conclusive**

A certificate or determination by the Lender as to any amount or rate under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error.

##### **15.3 Limitations**

The obligations of any Additional Chargor are subject to the limitations (if any) set out in the Deed of Accession executed by that Additional Chargor.

##### **15.4 Notice of assignment**

This deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any other Finance Document.

##### **15.5 Financial collateral**

- 15.5.1 To the extent that the Charged Assets constitute "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), the Lender shall have the right after the Security constituted by this deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- 15.5.2 For the purpose of clause 15.5.1, the value of the financial collateral appropriated shall be such amount as the Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.
- 15.6 **Severability**
- If any provision of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.
- 15.7 **Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989**
- The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with s.2(1) Law of Property (Miscellaneous Provisions) Act 1989.
- 15.8 **Third party rights**
- Save as expressly provided to the contrary in a Finance Document, a third party (being any person other than the Chargors and the Lender and their successors and permitted assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed. Notwithstanding any term of any Finance Document, the consent of such third party is not required to rescind or vary this deed at any time.
- 15.9 **Joint and several liability**
- The covenants, agreements, obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly.
- 15.10 **Trustee Act 2000**
- The Chargors and the Lender agree that the Lender shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000.
- 16 **Demands and notices**
- Any demand, notice, consent or communication to be made or given by or to a Chargor or the Lender under or in connection with this deed shall be made and delivered as provided in clause 18 (*Notices*) of the Facility Agreement. Any demand on a Chargor shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities.
- 17 **Assignment and transfer**
- 17.1 **Assignment by Lender**
- The Lender may at any time without the consent of any Chargor, assign or transfer the whole or any part of its rights under this deed to any person.



**17.2 Assignment by Chargor**

No Chargor may assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

**18 Release of Security**

**18.1 Release**

Subject to clause 18.3 (*Discharge conditional*), upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Chargors, take whatever action is necessary to release the Charged Assets from the Security constituted by this deed and re-assign the Charged Assets to the relevant Chargor(s).

**18.2 Avoidance of payments and reinstatement**

If any payment by an Obligor or any discharge given by a Secured Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is (a) capable of being avoided or reduced (in the opinion of the Lender) or (b) avoided or reduced in each case as a result of insolvency or any similar event, then:

- 18.2.1 the liability of each Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred;
- 18.2.2 each Secured Party will be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred; and
- 18.2.3 the Lender shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred.

**18.3 Discharge conditional**

Any release, discharge or settlement between any Chargor and the Lender or any other Secured Party shall be deemed conditional upon no payment or security received by the Lender or such other Secured Party in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement:

- 18.3.1 the Lender or its nominee shall be at liberty to retain this deed and the Security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Lender shall deem necessary to provide the Lender with security against any such avoidance or reduction or order for refund; and
- 18.3.2 the Lender shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and each Chargor agrees with the Lender accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause, whether actual or contingent.

**19 Governing law**

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

**20 Enforcement**

**20.1 Jurisdiction of English courts**

- 20.1.1 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) (a "**Dispute**").
- 20.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 20.1.3 This clause 20.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

**20.2 Service of process**

Without prejudice to any other mode of service allowed under any relevant law, BC Music Holdings Limited:

- 20.2.1 irrevocably appoints BC Music Media Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
- 20.2.2 agrees that failure by a process agent to notify any Chargor of the process will not invalidate the proceedings concerned.

**21 Counterparts**

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

**In Witness** whereof this deed has been executed by the Original Chargors and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Lender.

## **SCHEDULE 1**

### **Original Chargors**

<b>Name</b>	<b>Registered Number</b>	<b>Registered Office</b>
BC Music Media Limited	08275462	1 Hammersmith Broadway, London W6 9DL
BC Music Holdings Limited	FC031502	No 2 The Forum, Grenville Street, St Helier, Jersey JC1 4HH

### **SCHEDULE 3**

#### **Accounts**

<b>Chargor</b>	<b>Bank</b>	<b>Account name</b>	<b>Account number</b>	<b>Sort code</b>
BC Music Media Holdings Limited	Barclays Private Clients International Ltd			
BC Music Media Limited	Barclays Bank			

## SCHEDULE 4

### Form of Deed of Accession

#### DATE

#### PARTIES

- 1 [ ] (registered number [ ]) with its registered office at [ ] (the “**Additional Chargor**”); and
- 2 [ ] acting through its office at [ ] (the “**Lender**”).

#### BACKGROUND

- C [•] [and others] has entered into a security agreement dated [ ] (the “**Security Agreement**”) between [•], the Chargors under and as defined in the Security Agreement and the Lender.
- D The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Security Agreement.
- E The Lender and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

#### IT IS AGREED as follows:

##### 1 Definitions and Interpretation

Terms defined in the Security Agreement have the same meaning in this deed unless given a different meaning in this deed. This deed is a Finance Document.

##### 2 Accession and covenant to pay

###### 2.1 With effect from the date of this deed the Additional Chargor:

- 2.1.1 will become a party to the Security Agreement as a Chargor; and
- 2.1.2 will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor.

###### 2.2 The Additional Chargor hereby covenants with the Lender that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Lender when the same become due whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Lender in relation to any such Secured Liabilities or generally in respect of the Chargors.

###### 2.3 Neither the covenant to pay in clause 2.2 nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

##### 3 Grant of security

###### 3.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby:

- 3.1.1 grants to the Lender, a charge by way of legal mortgage over all its Properties which are listed in schedule 1 (*Properties currently owned*) to this deed;
- 3.1.2 charges to the Lender, by way of first fixed charge, all its:
  - 3.1.2.1 Properties acquired by it after the date of this deed;
  - 3.1.2.2 Property Interests;
  - 3.1.2.3 Equipment;
  - 3.1.2.4 Securities;
  - 3.1.2.5 Intellectual Property;
  - 3.1.2.6 Insurance Policies;
  - 3.1.2.7 Debts;
  - 3.1.2.8 Accounts;
  - 3.1.2.9 Pension Fund Interests;
  - 3.1.2.10 Goodwill and Uncalled Capital; and
  - 3.1.2.11 right, title and interest to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 inclusive.
- 3.1.3 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies; and
- 3.1.4 assigns to the Lender, absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements.

### 3.2 Floating Security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges to the Lender, by way of first floating charge, (a) all of its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 (*Fixed security*) inclusive and (b) all its assets situated in Scotland.

### 3.3 Leasehold Security restrictions

- 3.3.1 There shall be excluded from the Security created by this deed and by the Security Agreement, and from the operation of clause 4.1 (*Restrictions on dealing*) of the Security Agreement, any Excluded Property until the relevant condition or waiver has been excluded or obtained.
- 3.3.2 For each Excluded Property, the Additional Chargor undertakes to:
  - 3.3.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed and to use its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible;

- 3.3.2.2 upon request, keep the Lender informed of its progress in obtaining such consent or waiver; and
- 3.3.2.3 forthwith upon receipt of such consent or waiver, provide the Lender with a copy.
- 3.3.3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Lender under clause 3.1.1, clause 3.1.2.1 or clause 3.1.2.2 (*Fixed security*) of the Security Agreement as the case may be. If required by the Lender at any time following receipt of that waiver or consent, the Additional Chargor will execute a valid fixed charge in such form as the Lender shall require.

#### 4 **Land Registry restriction**

In respect of any Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or the Security Agreement, the Additional Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [*name of Lender*] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer".

#### 5 **Miscellaneous**

With effect from the date of this deed:

- 5.1 the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this deed);
- 5.2 any reference in the Security Agreement to this deed and similar phrases will include this deed and all references in the Security Agreement to schedule 2 (*Properties currently owned*) (or any part of it) will include a reference to schedule 2 (*Properties currently owned*) to this deed (or relevant part of it).

#### 6 **Governing law**

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

#### 7 **Enforcement**

##### 7.1 **Jurisdiction of English courts**

- 7.1.1 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) (a "**Dispute**").
- 7.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 7.1.3 This clause 7 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

##### 7.2 **Service of process**

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor:

7.2.1 irrevocably appoints [●] as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

7.2.2 agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned.

## **8 Counterparts**

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

**In Witness** whereof this deed has been duly executed on the date first above written.



## **SCHEDULE 2**

### **Accounts**

<b>Chargor</b>	<b>Account type</b>	<b>Account name</b>	<b>Account number</b>	<b>Sort code</b>

**SIGNATORIES (TO DEED OF ACCESSION)**

### The Additional Chargo

EXECUTED as a DEED and )  
 DELIVERED by [ ] )  
 [LIMITED] acting by: )

Director

in the presence of: \_\_\_\_\_ )

**Signature:**

Name:

**Address:**

Occupation:

## The Lender

SIGNED by \_\_\_\_\_ )  
for and on behalf of [LENDER]: \_\_\_\_\_ )

## SCHEDULE 5

### PART 1

#### Form of notice to insurers

From: [relevant Chargor] (the "Company")

To: [insurer]

Date:

Dear Sirs

We refer to the [describe policy and its number] (the "Policy").

We hereby give notice that, pursuant to a security agreement dated [ ] (the "Security Agreement"), we have assigned to [ ] (the "Lender") all our right, title, interest and benefit in and to the Policy.

We irrevocably authorise and instruct you from time to time:

- (a) to disclose to the Lender without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Lender may at any time and from time to time request;
- (b) to hold all sums from time to time due and payable by you to us under the Policy to the order of the Lender;
- (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policy only in accordance with the written instructions given to you by the Lender from time to time;
- (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Policy, the sums payable to us from time to time under the Policy or the debts represented thereby which you receive at any time from the Lender without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
- (e) to send copies of all notices and other information given or received under the Policy to the Lender.

We are not permitted to receive from you, otherwise than through the Lender, any amount in respect of or on account of the sums payable to us from time to time under the Policy or to agree any amendment or supplement to, or waive any obligation under, the Policy without the prior written consent of the Lender.

This notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm by completing the enclosed acknowledgement and returning it to the Lender (with a copy to us) that:

- (a) you accept the instructions and authorisations contained in this notice;

- (b) you have not, at the date this notice is returned to the Lender, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and you will notify the Lender promptly if you should do so in future;
- (c) you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Lender from time to time;
- (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Lender; and
- (e) that the Lender's interest as mortgagee is noted on the Policy.

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  
[                    ]

## PART 2

### Form of acknowledgement from insurers

From: [insurer]

To: [Lender] (the "Lender")

Date:

Dear Sirs

We acknowledge receipt of a notice dated [ ] (the "Notice") and addressed to us by

[ ] (the "Company") regarding the Policy (as defined in the Notice).

- (a) we accept the instructions and authorisations contained in this notice;
- (b) we have not, at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and we will notify the Lender promptly if you should do so in future;
- (c) we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Lender from time to time;
- (d) we will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Lender; and
- (e) the Lender's interest as mortgagee is noted on the Policy.

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

Yours faithfully

[insurer]

## SCHEDULE 6

### PART 1

#### Form of notice to counterparties of Assigned Agreements

From: [relevant Chargor]

To: [counterparty]

Date:

Dear Sirs

We refer to the [describe relevant Assigned Agreement] (the "**Agreement**").

We hereby notify you that pursuant to a security agreement dated [ ] (the "**Security Agreement**") we have assigned to [ ] (the "**Lender**") absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to the Agreement.

We further notify you that:

- (a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Lender;
- (b) subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Lender. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Lender;
- (c) you are authorised to disclose information in relation to the Agreement to the Lender on request;
- (d) you must pay all monies to which we are entitled under the Agreement direct to the Lender (and not to us) unless the Lender otherwise agrees in writing; and
- (e) the provisions of this notice may only be revoked with the written consent of the Lender.

Please sign and return the enclosed copy of this notice to the Lender (with a copy to us) by way of confirmation that:

- (i) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

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  
[ ]

## PART 2

### Form of acknowledgement from counterparties of Assigned Agreements

From: [counterparty]  
To: [Lender]  
Copy to: [relevant Chargor]  
Date:

We hereby acknowledge receipt of the notice dated [ ], a copy of which is attached to the acknowledgment (the "Notice") and confirm the matters set out in paragraphs (i) and (ii) of the Notice.

.....  
for and on behalf of  
[counterparty]

## SCHEDULE 7

### PART 1

#### Form of notice of charge to third party bank

To: [name and address of third party bank]

Attention: [ ]

Date:

Dear Sirs

We hereby give you notice that by a security agreement dated [ ] 20[ ] (the "**Security Agreement**") (a copy of which is attached) we have charged to [ ] (the "**Lender**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those sums:

[ ]

(together the "**Accounts**").

We hereby irrevocably instruct and authorise you:

- 1 to credit to each Account all interest from time to time earned on the sums of money held in that Account;
- 2 to disclose to the Lender, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Lender may, at any time and from time to time, request you to disclose to it;
- 3 to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Lender;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Lender at any time and from time to time; and
- 5 to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Lender without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

By counter-signing this notice, the Lender confirms that we may make withdrawals from the Accounts until such time as the Lender shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Lender.

These instructions cannot be revoked or varied without the prior written consent of the Lender.

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



Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Lender with a copy to ourselves.

Yours faithfully

By: .....  
for and on behalf of  
[*relevant Chargor*]

Counter-signed by:

.....  
for and on behalf of  
[*Lender*]

## PART 2

### Form of acknowledgement from third party bank

To: [name and address of Lender]

Date:

Dear Sirs

We confirm receipt of a notice dated [ ] (the "Notice") from [relevant Chargor] (the "Company") of a charge, upon the terms of a Security Agreement dated [ ] 20[ ], over all the Company's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto:

[ ]

(together the "Accounts").

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
- 2 we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
- 3 we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;
- 4 until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and
- 5 we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

This letter 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  
[third party bank]

**SIGNATORIES (TO SECURITY AGREEMENT)**

**The Originalchargors**

EXECUTED as a DEED and  
DELIVERED by **BC MUSIC MEDIA  
LIMITED** acting by:

)  
)  
)

Director

in the presence of:

Signature:

Name:

Address

Occupation:

) Alice Beltington

)  
)

)

) Marketing Account Director

EXECUTED as a DEED and  
DELIVERED by **BC MUSIC  
HOLDINGS LIMITED** acting by:

)  
)  
)

Director

in the presence of:

Signature:

Name:

Address:

Occupation:

)

) Alice Beltington

)  
)

) Marketing Account Director

**The Lender**

SIGNED by  
for and on behalf of **BCI EUROPE LIMITED S.A R.L**  
(acting on behalf of Compartment B)

)  
)  
)

**SIGNATORIES (TO SECURITY AGREEMENT)**

**The Original Chargors**

EXECUTED as a DEED and )  
DELIVERED by BC MUSIC MEDIA )  
LIMITED acting by: )

Director

in the presence of: )

Signature:

Name:

Address:

Occupation:

EXECUTED as a DEED and )  
DELIVERED by BC MUSIC )  
HOLDINGS LIMITED acting by: )

Director

In the presence of: )

Signature:

Name:

Address:

Occupation:

**The Lender**

SIGNED by )  
for and on behalf of BCI EUROPE LIMITED S.À R.L. )  
(acting on behalf of Compartment B) )



**Peter EGAN**  
Director