



Registration of a Charge

Company name: **STERLING DFC UNITED KINGDOM LTD**

Company number: **09080148**

Received for Electronic Filing: **06/02/2019**



X7YR7NZL

Details of Charge

Date of creation: **30/01/2019**

Charge code: **0908 0148 0005**

Persons entitled: **BANK OF MONTREAL**

Brief description:

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: **WE 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 PART OF THE**

**CHARGING INSTRUMENT SIGNED BY OR ON BEHALF OF THE
CHARGOR, AND A CORRECT COPY OF THE SIGNATURE PAGE TO
EACH OTHER PART OF SUCH CHARGING INSTRUMENT.**

Certified by:

DENTONS UK AND MIDDLE EAST LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9080148

Charge code: 0908 0148 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th January 2019 and created by STERLING DFC UNITED KINGDOM LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th February 2019 .

Given at Companies House, Cardiff on 7th February 2019

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



Debenture

subject to the terms of the Intercreditor Agreement

Dated 30 January 2019

**The Persons Listed in Schedule 1
(Chargors)**

and

**Bank of Montreal
(Security Trustee)**

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Debenture

This Debenture is made by way of a deed.

Dated 30 January 2019

By:

- (1) **The Companies** listed in Schedule 1 (*Chargors*) (each a **Chargor**) in favour of
- (2) **Bank of Montreal** (the **Security Trustee**).

It is agreed as follows:

1 **Definitions and interpretation**

1.1 **Definitions**

In this Debenture and each Mortgage (as defined below):

Accession Deed means a deed of accession to this Debenture substantially in the form set out in Schedule 7 (*Accession Deed*).

Account Acknowledgement means a letter of acknowledgement in substantially the form set out in Part 2 of Schedule 5 (*Form of Account Notice and Acknowledgement*) or in such other form acceptable to the Security Trustee.

Account Notice means a notice of assignment in substantially the form set out in Part 1 of Schedule 5 (*Form of Account Notice and Acknowledgement*) or in such other form acceptable to the Security Trustee.

Additional Chargor means a Group Member which becomes a Chargor by executing an Accession Deed in accordance with Clause 21.1.2 (*General*).

Bank Account means each of the accounts opened or maintained by any Chargor with any bank, building society, financial institution or other person (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby.

Collateral Rights means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Debenture and/or any Mortgage or by law.

Credit Agreement means the credit agreement dated the date of this Debenture and made between, amongst others, Sterling Mid-Holdings Limited, Sterling Holdings Limited, DFC Global Corp., National Money Mart Company and the Security Trustee, as the same may be amended, restated, amended and restated, supplemented, restructured or otherwise modified, renewed or replaced from time to time.

Default Notice means a notice received by a Chargor from the Administrative Agent and Collateral Agent, which specifies that:

- (a) an Event of Default is continuing; and

- (b) the Collateral Agent intends to exercise its Collateral Rights against that Chargor as a result of the occurrence of such Event of Default.

Disregarded Assets means any Excluded Assets of a Chargor.

Distribution Rights means in relation to Shares and Investments, 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 any such asset, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise.

Fixed Security means any mortgage, fixed charge or assignment expressed to be constituted by or pursuant to Clause 3.1 (*Fixed Security*) of this Debenture.

Fixed Security Assets means all of the assets and undertaking of each Chargor which from time to time are the subject of Fixed Security.

Intellectual Property means any patents, trade marks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, and the benefit of all applications and rights to use such assets in which any Chargor may from time to time have an interest.

Investments means any:

- (a) stocks, shares, debentures and certificates of deposit and other instruments creating or acknowledging indebtedness, including alternative finance investment bonds (but not including the Shares);
- (b) interests in collective investment schemes, in whatever form or jurisdiction any such scheme is established, including partnership interests;
- (c) warrants and other instruments entitling the holder to subscribe for or acquire any investments described in paragraph (a) or (b) above;
- (d) certificates and other instruments conferring contractual or property rights (other than options) in respect of the investments described in paragraph (a), (b) or (c) above; and
- (e) options to acquire any investments described in paragraph (a), (b), (c) or (d) above,

in each case whether held directly by or to the order of any Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system including, without limitation, any contractual rights or any right to delivery of all or any part of the Investments from time to time).

Monetary Claims means book and other debts and monetary claims owing to any Chargor, in each case, in respect of goods sold or leased or services rendered, and any proceeds of such debts and claims and all rights and claims of such charging Company against third parties and against any Security Asset in respect of such debt, proceeds or claims.

Mortgage means a charge by way of legal mortgage in respect of all or any part of the Real Estate between any Chargor and the Security Trustee substantially in the form of Schedule 4 (*Form of Mortgage*).

Mortgaged Property means the freehold and leasehold property specified in the schedule to each Mortgage.

Notified Event of Default means an Event of Default is continuing and the relevant Chargor has received a corresponding Default Notice.

Primary Agreement Acknowledgement means a letter of acknowledgement in substantially the form set out in Part 2 of Schedule 6 (*Form of Primary Agreement Notice and Acknowledgement*) or such form acceptable to the Security Trustee.

Primary Agreement Notice means a notice of assignment in substantially the form set out in Part 1 of Schedule 6 (*Form of Primary Agreement Notice and Acknowledgement*) or such form acceptable to the Security Trustee.

Primary Agreements means the agreements described in Schedule 2 (*Primary Agreements*) or any other agreement that may from time to time be designated as a Primary Agreement by the Security Trustee and Dollar Financial U.K. Limited.

Real Estate means:

- (a) any present or future freehold property of a Chargor in England and Wales; and
- (b) any buildings and fixtures (including trade fixtures) from time to time situated on or forming part of such freehold land.

Receiver means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

Security means any Lien created pursuant to Clause 3 (*Grant of Security*) or any Mortgage.

Security Assets means all of the assets and undertaking of each Chargor which from time to time are the subject of any Lien created by it in favour of the Security Trustee by or pursuant to this Debenture and any Mortgage.

Security Period means the period beginning on the date of this Debenture and ending on the date of the Discharge of Obligations.

Shares means any stocks, shares, debentures and other securities owned by a Chargor, including those described in Schedule 3 (*Shares*).

Tangible Moveable Property means any plant, machinery, office equipment, computers, vehicles, furniture, fittings and other equipment.

Trust Property means:

- (a) the Security created or evidenced or expressed to be created or evidenced under or pursuant to any of the Loan Documents (being the **Transaction Security**), and expressed to be granted in favour of the Security Trustee as trustee for the Secured Parties and all proceeds of that Transaction Security;

- (b) all obligations expressed to be undertaken by a Loan Party to pay amounts in respect of its liabilities to the Security Trustee as trustee for the Secured Parties and secured by the Security together with all representations and warranties expressed to be given by a Loan Party in favour of the Security Trustee as trustee for the Secured Parties;
- (c) the Security Trustee's interest in any trust fund created pursuant to any turnover of receipt provisions in any Loan Documents; and
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Trustee is required by the terms of the Loan Documents to hold as trustee on trust for the Secured Parties.

1.2 Terms defined in Credit Agreement

Unless defined in this Debenture or the context otherwise requires, a term defined in the Credit Agreement or in any other Loan Document has the same meaning in this Debenture or any notice given under or in connection with this Debenture.

1.3 Construction

1.3.1 In this Debenture, unless a contrary indication appears, any reference in this Debenture to:

- (a) the "**Security Trustee**" or any "**Chargor**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) any "**Chargor**" shall be construed so as to include any Additional Chargor (subject to Clause 8 (*Release*));
- (c) a document in "**agreed form**" is a document which is previously agreed in writing by or on behalf of a Chargor and the Security Trustee;
- (d) "**assets**" includes present and future properties, revenues and rights of every description;
- (e) an agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended or restated;
- (f) 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);
- (g) 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, compliance with which would be customary among those persons to whom it is directed) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (h) a provision of law is a reference to that provision as amended or re-enacted; and
- (i) a time of day is a reference to London time.

1.3.2 The parties to this Debenture intend that it shall take effect as a deed notwithstanding the fact that a party to this Debenture may have only executed this document under hand.

- 1.3.3 Unless the context requires otherwise, references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture.
- 1.3.4 It is agreed that each Mortgage is supplemental to this Debenture and, to the extent the provisions of this Debenture conflict with those of any Mortgage, the provisions of that Mortgage shall prevail.
- 1.3.5 Clauses 1.2 (*Terms defined in Credit Agreement*), 1.3 (*Construction*), 1.4 (*Third party rights*), 1.5 (*Other Loan Documents*), 4 (*Security Assets*), 8 (*Release*), 11 (*Further assurance*), 12 (*Power of attorney*), 13 (*Security enforcement*), 14 (*Receivers*), 17 (*Application of proceeds*), 18 (*Prior interests*) and 21 (*Miscellaneous*) of this Debenture are deemed to form part of each Mortgage as if expressly incorporated into each Mortgage and as if references in those Clauses to (i) this Debenture were references to that Mortgage and (ii) the Security Assets were references to assets of the each Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Security Trustee by or pursuant to that Mortgage.
- 1.3.6 The absence of or incomplete details of any Security Assets in any Schedule shall not affect the validity or enforceability of any Lien under this Debenture or any Mortgage.
- 1.3.7 Clauses 3.1 (*Fixed Security*), 3.2 (*Floating charge*) and 3.6 (*Security assignments*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Debenture or any Mortgage and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Debenture or any Mortgage or any act or omission by any party to such agreement) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

1.4 Third party rights

Unless expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.

1.5 Other Loan Documents

In the event that the terms of this Debenture conflict with the terms of the Credit Agreement or the Intercreditor Agreement, the terms of the Credit Agreement or the Intercreditor Agreement (as applicable) shall prevail. In the event of any inconsistency between the terms of the Credit Agreement and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

1.6 Declaration of trust

- 1.6.1 The Security Trustee hereby accepts its appointment as agent and trustee by the Secured Parties and declares (and each of the Chargors hereby acknowledges) that the Trust Property is held by the Security Trustee as a trustee for and on behalf of the Secured Parties on the basis of the duties, obligations and responsibilities set out in the Credit Agreement.
- 1.6.2 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts created by this Debenture or any other Loan Document. In performing its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting

only in a mechanical and administrative capacity or as expressly provided in this Debenture and the other Loan Documents.

- 1.6.3 In acting as trustee for the Secured Parties under this Debenture, the Security Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments. Any information received by some other division or department of the Security Trustee may be treated as confidential and shall not be regarded as having been given to the Security Trustee's trustee division.

2 Covenant to pay

Each Chargor as primary obligor covenants with the Security Trustee that it shall, in accordance with the Credit Agreement, discharge and satisfy the Obligations on demand when the same fall due for payment under the terms of the relevant Loan Documents.

3 Grant of security

3.1 Fixed Security

Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor charges in favour of the Security Trustee (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provision) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Credit Agreement) the following assets:

- (a) by way of first legal mortgage, its Mortgaged Property;
- (b) by way of first fixed charge, all of its rights, title and interest from time to time in and to:
 - (i) all its Real Estate to the extent not validly and effectively charged by way of first legal mortgage pursuant to paragraph (a) above;
 - (ii) its Tangible Moveable Property;
 - (iii) all of its rights in respect of any amount from time to time standing to the credit of its Bank Accounts;
 - (iv) any contract or agreement to which that Chargor is a party;
 - (v) its Monetary Claims;
 - (vi) its Investments together with all Distribution Rights;
 - (vii) its Shares together with all Distribution Rights;
 - (viii) its Intellectual Property;
 - (ix) its interest in and claims under all Primary Agreements and any corresponding proceeds payable to a Chargor; and
 - (x) any goodwill, rights and claims in relation to the uncalled capital of that Chargor.

3.2 Floating charge

- 3.2.1 Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor charges (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provisions) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Indenture) by way of first floating charge in favour of the Security Trustee all present and future assets and undertaking of that Chargor.
- 3.2.2 The floating charge created pursuant to Clause 3.2.1 above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Loan Documents in favour of the Security Trustee as security for the Obligations.
- 3.2.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to Clause 3.2.1 above.

3.3 Crystallisation by notice

In the event of a Notified Event of Default, the Security Trustee may at any time by notice in writing to any Chargor convert the floating charge created pursuant to Clause 3.2 (*Floating charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice.

3.4 Automatic crystallisation

Notwithstanding Clause 3.3 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created pursuant to Clause 3.2 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) a resolution is passed for the winding up or administration of any Chargor or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced in relation to any Chargor; or
- (b) an administrator or Receiver is appointed in respect of any Chargor or any of its assets or the Security Trustee receives notice of an intention to appoint a Receiver or an administrator pursuant to paragraphs 15 or 26 of schedule B1 of the Insolvency Act 1986 in respect of any Chargor,

however, no floating charge created by this Clause 3.4 may be converted into a fixed charge or otherwise crystallise solely by reason of:

- (i) the obtaining of a moratorium by a Chargor; or
- (ii) anything done with a view to obtaining a moratorium under section 1A and schedule A1 to the Insolvency Act 1986.

3.5 Reconversion

The Security Trustee may, in its sole discretion and at any time, reconvert a charge that has crystallised under Clause 3.3 (*Crystallisation by notice*) or Clause 3.4 (*Automatic crystallisation*) into a floating charge by transmitting written notice to the relevant Chargor of such election.

3.6 Security assignments

Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor assigns and agrees to assign by way of security (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provisions) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Indenture) to the Security Trustee each Primary Agreement.

3.7 Disregarded Assets

Notwithstanding any other provision of any Loan Document to the contrary:

- (a) each Chargor does not, and shall not be required to, grant security (or any other rights) in favour of the Security Trustee over any Disregarded Asset; and
- (b) Clauses 5 (*Accounts and monetary claims*), 6 (*Other undertakings*), 11 (*Further assurance*) and 12 (*Power of attorney*) shall not apply to Disregarded Assets and shall be subject to the Excluded Perfection Requirements,

provided, however, that if any assets or property cease to be Disregarded Assets, they shall no longer be excluded pursuant to this Clause 3.7 (*Disregarded Assets*) and the security interest granted by this Agreement shall attach to such assets or property immediately and automatically (without need for any further grant or act) at such time as such assets or property cease to constitute Disregarded Assets.

4 Security Assets

4.1 Negative pledge

No Chargor shall at any time during the Security Period create or permit to subsist any Lien over all or any part of the Security Assets or dispose of or otherwise deal with any part of the Security Assets (other than to the extent expressly permitted by the terms of the other Loan Documents).

4.2 Responsibility

The Security Trustee shall not be under any obligation in relation to the Security Assets as a consequence of this Debenture or any Mortgage and each Chargor shall at all times remain liable to perform all obligations in respect of the Security Assets.

4.3 Implied covenants

Notwithstanding anything to the contrary in this Debenture, the covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3.1 (*Fixed Security*), 3.2 (*Floating charge*) or 3.6 (*Security Assignments*).

5 Accounts and monetary claims

5.1 Notice and acknowledgements

Each Chargor shall:

- (a) deliver an Account Notice duly completed and executed by, or on behalf of, each such Chargor to the relevant account bank on the date it opens any future Bank Accounts for such future Bank Accounts; and
- (b) use reasonable endeavours to procure the receipt of an Account Acknowledgement duly completed and executed by, or on behalf of, the relevant account bank by the Security Trustee on such date.

5.2 Control

Each Chargor shall be free to operate each Bank Account except in the event of a Notified Event of Default in respect of which the Security Trustee has notified an account bank with which a Bank Account is held of the same (with a copy of such notice being provided to the relevant Chargor promptly after it is given), in which case each Chargor shall be prohibited from giving instructions or exercising its rights in respect of any Bank Account referred to in such notice, including withdrawing any amounts standing to the credit of such Bank Account, without the prior written consent of the Security Trustee.

5.3 Monetary Claims

Subject as provided in the Credit Agreement and other than in the ordinary course of business, each Chargor shall not:

- (a) postpone the due date of any Monetary Claim;
- (b) agree to reduce the amount of any Monetary Claim;
- (c) release, wholly or partially, any third party liable for the payment of any Monetary Claim; or
- (d) amend, supplement or modify any Monetary Claim in any manner that could materially and adversely affect the value thereof.

6 Other undertakings

6.1 Primary Agreements

Each Chargor shall:

- (a) deliver a Primary Agreement Notice duly completed and executed by, or on behalf of, such Chargor to the other parties to the Primary Agreements to which it is a party:
 - (i) on the date of this Debenture, in the case of any existing Primary Agreement;
 - (ii) following its entry into any other Primary Agreement; and
- (b) use reasonable endeavours to deliver a Primary Agreement Acknowledgment duly executed by the recipient of such notice to the Security Trustee.

6.2 Deposit of documents

Each Chargor shall, in relation to the Security Assets, deposit with the Security Trustee (or procure the deposit of):

- (a) all certificates or other documents of title to the Shares and stock transfer forms (executed in blank by it or on its behalf)
 - (i) on the date of this Debenture in respect of those Shares listed in Schedule 3 (*Shares*); and
 - (ii) promptly following its receipt of a written request from the Security Trustee in respect of all future Shares; and
- (b) promptly following a written request from the Security Trustee, all deeds, certificates and other documents constituting or evidencing title to Real Estate.

6.3 Registration

- 6.3.1 Each Chargor hereby consents to an application being made to the Land Registry to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Security Assets.
- 6.3.2 Each Chargor shall, if requested by the Security Trustee, execute all such documents and do all such acts as the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property forming part of the Security Assets.

6.4 Shares

- 6.4.1 Except in the event of a Notified Event of Default, each Chargor shall:
 - (a) be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Shares; and
 - (b) subject to Clause 6.4.2 below, be entitled to exercise all voting rights in relation to the Shares in a manner which is consistent with the terms of the Loan Documents and which does not adversely affect the validity or enforceability of any Security created by this Debenture.
- 6.4.2 No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its rights in relation to the Shares in a manner materially adverse to the Secured Parties (except as permitted by the Loan Documents) or which would conflict with the terms of any Loan Document.

7 Representations and warranties

7.1 General

Each Chargor represents and warrants to the Security Trustee as set out in this Clause 7 on the date of this Debenture.

7.2 Shares

It is the legal and beneficial owner of the Shares identified against its name in Schedule 3 (*Shares*) and all of those shares are fully paid and not subject to any lien, rights of pre-emption or similar rights restricting transferability.

8 Release

8.1 Security Period

Upon the expiry of the Security Period, the Security Trustee shall release and cancel any Lien constituted by this Debenture and each Mortgage and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Debenture and each Mortgage, in each case subject to Clause 15.7 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

8.2 Other

- 8.2.1 The Security Trustee shall, without recourse to, or any representation or warranty by it, release and cancel any Lien constituted by this Debenture over the relevant Security Assets and procure the reassignment to the relevant Chargor of the relevant property and assets assigned to the Security Trustee pursuant to this Debenture in accordance with section 11.17 (*Releases of Guarantees and Liens*) of the Credit Agreement.
- 8.2.2 The Security Trustee shall, upon request, shall promptly (at the relevant Chargor's cost) do all such acts or execute all such documents as the relevant Chargor (or another Loan Party acting on its behalf) may reasonably require in relation to any release or reassignment contemplated by this Clause 8.

9 Further advances

9.1 Credit Agreement

If, under the terms of the Credit Agreement, the Lenders are under an obligation to make further advances to a Borrower or any other person, whether or not such obligation arises out of any amendment, amendment and restatement and/or supplement to any Credit Agreement, all obligations of that Borrower in respect of any such advances shall form part of the Obligations.

9.2 Land registry

Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Security Assets.

10 Liability

10.1 Liability not discharged

Each Chargor's liability under this Debenture or any Mortgage in respect of any of the Obligations shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is or becomes wholly or partially illegal, void or unenforceable on any ground;
- (b) the Security Trustee:
 - (i) renewing, determining, varying or increasing any facility or other transaction in any manner;
 - (ii) concurring in, accepting or varying any compromise, arrangement or settlement; or
 - (iii) omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this Clause 10.1, might have discharged, or otherwise prejudiced or affected, the liability of that Chargor.

11 Further assurance

11.1 General

11.1.1 The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 11.1.2 below.

11.1.2 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Mortgage over any Real Estate in England and Wales not already the subject of a registrable Mortgage and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s) to create, perfect and/or protect the Security created or intended to be created by this Debenture or any Mortgage and to facilitate the realisation of the Security Assets.

11.2 Third party consent

Each Chargor shall, following its receipt of a written request from the Security Trustee, use commercially reasonable efforts to obtain any consent of a Governmental Authority necessary to enable the assets of that Chargor to be the subject of the relevant Fixed Security pursuant to this Debenture and each Mortgage. Promptly upon obtaining any such consent or removing any such restriction, the asset concerned will become subject to that Fixed Security and each relevant Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Security Trustee.

12 Power of attorney

12.1 Appointment and powers

In the event of a Notified Event of Default, each Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things necessary for:

- (a) carrying out any obligation imposed on any Chargor by this Debenture, any Mortgage or any other Loan Document binding on such Chargor to which the Security Trustee

is party and which that Chargor is obligated to do but has not done (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the security created or intended to be created in respect of the Security Assets); and

- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture, each Mortgage or by law (including, except in the event of a Notified Event of Default, the exercise of any right of a legal or beneficial owner of the Security Assets).

12.2 Ratification

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

12.3 Power to remedy

- 12.3.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by any Chargor of any of its obligations contained in this Debenture, provided that the exercise by the Security Trustee of its powers under this provision shall not render the Security Trustee liable to account as a mortgagee in possession.
- 12.3.2 Each Chargor irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.
- 12.3.3 Any monies expended by the Security Trustee in remedying a breach by a Chargor of its obligations contained in this Debenture shall be reimbursed by the Chargors to the Security Trustee in accordance with section 11.5 (*Payment of Expenses*) of the Credit Agreement.

13 Security enforcement

13.1 Time for enforcement

In the event of a Notified Event of Default, the Security created by or pursuant to this Debenture and each Mortgage is immediately enforceable and the Security Trustee may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (a) 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 Security Assets (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (b) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers.

13.2 Power of sale

- 13.2.1 The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise

(and the Obligations shall be deemed due and payable for that purpose) on the date of this Debenture or any Mortgage.

- 13.2.2 The restrictions contained in sections 93, 103 and 109(1) of the Law of Property Act 1925 shall not apply to this Debenture or any Mortgage or to the exercise by the Security Trustee of its right to consolidate all or any of the Security created by or pursuant to this Debenture or any Mortgage with any other Lien in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to any Chargor on or at any time after this Debenture or any Mortgage has become enforceable in accordance with this Clause 13 (*Security enforcement*).

13.3 Certificate

A certificate in writing by an officer or agent of the Security Trustee that the power of sale or disposal has arisen and is exercisable shall be conclusive evidence of that fact, in favour of a purchaser of all or any part of the Security Assets.

13.4 Assignee's liability

Neither the Security Trustee nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of the Security Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Security Assets for which a mortgagee or mortgagee in possession might as such be liable.

13.5 Right of appropriation

To the extent that any part of the Security created by or pursuant to this Debenture constitutes "financial collateral" and this Debenture and the obligations of each Chargor hereunder 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 (SI 2003 No. 3226) (the **Regulations**)), the Security Trustee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Obligations and may exercise such right to appropriate upon giving written notice to each Chargor. For this purpose, the parties to this Debenture agree that the value of such financial collateral so appropriated shall be the aggregate of the principal amount outstanding under each agreement then existing, together with any accrued but unpaid interest, fees or other charges under such agreements, determined by the Security Trustee by reference to such process as the Security Trustee may select. The parties to this Debenture further agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

13.6 Statutory powers

The powers conferred by this Debenture on the Security Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Debenture the terms of this Debenture will prevail.

14 Receivers

14.1 Appointment and removal

After any Security created by or pursuant to this Debenture or any Mortgage has become enforceable in accordance with Clause 13 (*Security enforcement*), the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee):

- (a) without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Security Assets;
 - (ii) appoint two or more Receivers of separate parts of the Security Assets;
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed;
 - (iv) appoint another person(s) as an additional or replacement Receiver(s); or
 - (v) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; and
- (b) following notice to the relevant Chargor, appoint one or more persons to be an administrator of that Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

14.2 Capacity of receivers

Each person appointed to be a Receiver pursuant to Clause 14.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

14.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets.

14.4 Powers of Receivers

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to

exercise, in relation to the Security Assets (and any assets of any Chargor which, when got in, would be Security Assets) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture and each Mortgage (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Security Assets.

14.5 Receiver as agent

Each Receiver shall be the agent of the relevant Chargor, which shall be solely responsible for their acts or defaults, and for their remuneration and expenses, and be liable on any agreements or engagements made or entered into by them. The Security Trustee will not be responsible for any misconduct, negligence or default of a Receiver.

14.6 Remuneration of Receiver

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and section 109(6) of the Law of Property Act 1925 shall not apply.

14.7 Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

14.8 Protection of purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings.

14.9 Discretions

Any liberty or power which may be exercised or any determination which may be made under this Debenture or any Mortgage by the Security Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

14.10 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself.

14.11 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Debenture (unless the document appointing such Receiver states otherwise).

15 Effectiveness of collateral

15.1 Collateral cumulative

The Security created by or pursuant to this Debenture and each Mortgage, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Lien which the Security Trustee or any Secured Party may at any time hold for the Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Lien. No prior Lien held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Security Assets shall merge into the Security constituted by this Debenture and each Mortgage.

15.2 No waiver

No failure to exercise, or any delay in exercising, on the part of the Security Trustee, any right or remedy under this Debenture or any Mortgage shall operate as a waiver of any such right or remedy or constitute an election to affirm this Debenture, any Mortgage or any other Loan Document. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy of the Security Trustee. The rights and remedies are cumulative and not exclusive of any rights or remedies provided by law.

15.3 Illegality, invalidity, unenforceability

If, at any time, any provision of this Debenture or any Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

15.4 No liability

Neither the Security Trustee nor any Receiver nor any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken in relation to all or any of the Security Assets;
- (b) for any failure to take any action in relation to all or any of the Security Assets;
- (c) to account as mortgagee in possession or for any loss on realisation of any of the Security Assets;
- (d) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 17 (*Application of proceeds*); or
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

15.5 Continuing security

The Security created by or pursuant to this Debenture and each Mortgage shall remain in full force and effect as a continuing security for the Obligations unless and until discharged by the Security Trustee in writing or otherwise pursuant to Clause 8 (*Release*).

15.6 Immediate recourse

Each Chargor waives any right it may have of first requiring the Security Trustee or any Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from each Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

15.7 Avoidance of payments

If the Security Trustee considers that any amount paid or credited to a Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Debenture or any Mortgage and the Security constituted by those documents will continue and such amount will not be considered to have been irrevocably discharged.

15.8 Non-competition

15.8.1 Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Mortgage:

- (a) to be indemnified by another Loan Party;
- (b) to claim any contribution from any guarantor of any Loan Party's obligations under this Debenture or any Mortgage;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under this Debenture or any Mortgage

or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture or any Mortgage by any Secured Party;

- (d) to bring legal or other proceedings for an order requiring any Loan Party to make any payment, or perform any obligation, in respect of which any Loan Party has given a guarantee, undertaking or indemnity under any Loan Document;
- (e) to exercise any right of set-off against any Loan Party; and/or
- (f) to claim or prove as a creditor of any Loan Party in competition with any Secured Party.

15.8.2 If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any such parties by the Chargors under or in connection with this Debenture or any Mortgage to be repaid in full and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 17 (*Application of proceeds*).

15.9 No prejudice

The Security created by or pursuant to this Debenture or any Mortgage and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other deed or document or by any time or indulgence granted to any Chargor or any other person by the Security Trustee or any other Secured Party or by any variation of the terms of the trust upon which the Security Trustee holds the Security or by any other thing which might otherwise prejudice the Security or the Collateral Rights.

16 Costs and expenses

Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security, reimburse the Security Trustee, its attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain as a consequence of any breach by each Chargor of the provisions of this Debenture or any Mortgage, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or any Mortgage, or otherwise relating to any Security created pursuant to this Debenture or any Mortgage, in each case, in accordance with sections 9.7 (*Indemnification*) and 11.5 (*Payment of Expenses*) of the Credit Agreement.

17 Application of proceeds

17.1 Order

All monies received or recovered and any non-cash recoveries made or received by the Security Trustee or any Receiver pursuant to this Debenture or any Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Trustee (notwithstanding any purported appropriation by any Chargor) in accordance with section 9.12 (*Application of Proceeds of Realization*) of the Credit Agreement.

17.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Debenture and each Mortgage (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Trustee considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's discretion, in or towards the discharge of any of the Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

17.3 Currency

- 17.3.1 For the purpose of or pending the discharge of any of the Obligations, the Security Trustee may convert any money received, recovered or realised or subject to application by it under this Debenture or any Mortgage from one currency to another, as the Security Trustee thinks fit and any such conversion shall be effected at the Security Trustee's spot rate of exchange for the time being for obtaining such other currency with the first currency.
- 17.3.2 If any sum (a **Sum**) owing by a Chargor under this Debenture, any Mortgage, or any order or judgment given or made in relation to any such deed has to be converted from the currency (the **First Currency**) in which such Sum is payable into another currency (the **Second Currency**) for the purpose of:
- (a) making or filing a claim or proof against each Chargor;
 - (b) obtaining an order or judgment in any court or other tribunal;
 - (c) enforcing any judgment given or made in relation to this Debenture; or
 - (d) applying the Sum in satisfaction of any Obligations.

18 Prior interests

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Lien against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Debenture or any Mortgage, the Security Trustee may redeem such prior security or procure the transfer thereof to itself. The Security Trustee may settle and agree the accounts of the prior Lien and any accounts so settled and agreed will be conclusive and binding on each Chargor.

19 Subsequent interests

If the Security Trustee (acting in its capacity as trustee or otherwise) or any other Secured Party at any time receives or is deemed to have received notice of any subsequent Lien, assignment or transfer affecting all or any part of the Security Assets which is prohibited by the terms of any Loan Document, all payments thereafter by or on behalf of the relevant Chargor to the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party will (in the absence of any express contrary appropriation by that Chargor) be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Obligations at the time that notice was received.

20 Notices

Any notice, request or demand to be given under this Security Agreement shall be given in accordance with section 11.2 (*Notices*) of the Credit Agreement.

21 Miscellaneous

21.1 General

- 21.1.1 Each Chargor acknowledges the Collateral Agents' rights of set-off under section 8.6 of the US Guarantee and Collateral Agreement.
- 21.1.2 Each Chargor consents to Group Members acceding to this Debenture pursuant to section 6.9 (*Successors and Assigns; Participations and Assignments*) of the Credit Agreement and irrevocably appoints Dollar Financial U.K. Limited as its agent for the purpose of executing any Accession Deed on its behalf.
- 21.1.3 Any certification or determination by the Security Trustee of a rate or amount under this Debenture or any Mortgage is, in the absence of error, conclusive evidence of the matters to which it relates.
- 21.1.4 This Debenture and any Mortgage shall be binding upon and shall inure to the benefit of each party to such agreement and its direct or subsequent legal successors, permitted transferees and assigns.
- 21.1.5 No Chargor shall assign any of its rights or transfer either by novation or by way of assignment, assumption and release any of its rights or obligations under this Debenture or any Mortgage to any person.
- 21.1.6 No amendment waiver by the Security Trustee of any of its rights under this Debenture shall be effective unless given in accordance with the terms of the other Loan Documents.
- 21.1.7 This Debenture 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 Debenture.

21.2 Governing law and enforcement

- 21.2.1 This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 21.2.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or the consequences of its nullity) or any non-contractual obligations arising out of or in connection with this Debenture.

This Debenture has been signed on behalf of the Security Trustee and executed as a deed by each Chargor and is intended to be and is hereby delivered by it as a deed on the date specified above.

Schedule 1 – Chargors

<u>Name</u>	<u>Registered number</u>	<u>Registered address</u>
Dollar Financial U.K. Limited	03701758	6 Bevis Marks, London, England, EC3A 7BA
Sterling DFC United Kingdom Ltd.	09080148	6 Bevis Marks, London, England, EC3A 7BA

Schedule 2 – Primary agreements

N/A

Schedule 3 – Shares

<u>Shareholder</u>	<u>Name of Company</u>	<u>Issued Share Capital</u>	<u>Description and Number of Shares Held</u>
Dollar Financial U.K. Limited	Sterling DFC United Kingdom Ltd.	261,795,676	261,795,676 ordinary shares of £1 each
Sterling Mid-Holdings Limited	Dollar Financial U.K. Limited	98,328,417	98,328,417 ordinary shares of £1 each

Schedule 4 – Form of mortgage

Mortgage

relating to [*specify properties*]

Dated ******

Mortgagor(s)
(Mortgagor(s))

in favour of

Administrative Agent
(Security Trustee)

Dentons UK and Middle East LLP
One Fleet Place
London EC4M 7WS
United Kingdom
DX 242

Mortgage

This Mortgage is made by way of deed on [**] by:

- (1) [Mortgagor] (the **Mortgagor**) (registered in England and Wales] with company registration number [Enter Mortgagor Registration Number]) (the **Mortgagor**)/[The Companies listed in Schedule 1 (*Chargors*) (each a **Mortgagor**)] in favour of
- (2) [Administrative Agent] as trustee for each of the Beneficiaries (the **Security Trustee**).

This deed witnesses as follows:

1 Mortgage

[The Mortgagor]/[Each Mortgagor] charges with full title guarantee in favour of the Security Trustee (as trustee for the Beneficiaries), for the payment and discharge of the Obligations, by way of first legal mortgage, the freehold and leasehold property specified [against its name] in [the Schedule]/[the Schedule 2 (*Mortgaged Property*)] (the **Mortgaged Property**).

2 Implied covenants for title

- 2.1 The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 1 (*Mortgage*).
- 2.2 It shall be implied in respect of Clause 1 (*Mortgage*) that [the Mortgagor]/[each Mortgagor] is disposing of the Mortgaged Property free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

3 Application to the land registry

[The Mortgagor]/[Each Mortgagor] consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land forming part of the Mortgaged Property:

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

4 Further advances

Subject to the terms of the Facility, each Lender is under an obligation to make further advances to [the Mortgagor]/[each Mortgagor] and that obligation will be deemed to be incorporated in this Legal Charge as if set out in this Mortgage. [The Mortgagor]/[Each Mortgagor] consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register relating to the Mortgaged Property.

5 Governing law

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

This Mortgage has been executed as, and is intended to take effect as, a deed by [the Mortgagor]/[each Mortgagor] and has been signed by the Security Trustee on the date written on the first page of this Mortgage.

Schedule 1 – [To mortgage mortgagors]

Schedule 2 – To mortgage mortgaged property

[Specify property which is the subject of a separate Legal Charge]

[

Property Description	Title Number
-----------------------------	---------------------

]

[

Mortgagor	Property Description	Title Number
------------------	-----------------------------	---------------------

]

Execution page to mortgage¹

Executed as a deed by)

[[Enter Mortgagor Name[1]]][[Name of Mortgagor]])

Director

Name:

Director/Secretary

Name:

Executed and Delivered as a Deed)

By)

And)

for and on behalf of)

[Administrative Agent])

Security Trustee)

.....
Authorised signatory

.....
Authorised signatory

In the presence of:

.....
Signature

.....
Name

.....
Address

.....
Occupation

¹ Not to be executed in counterparts.

Schedule 5 – Form of Account Notice and Acknowledgement

Part 1 – Form of notice

To: [Account Bank/other financial institution]

Date: [**]

Dear Sirs,

We give you notice that, by a Debenture dated [**] (the **Debenture**), we have secured in favour of Bank of Montreal as security trustee (the **Security Trustee**) all of our right, title and interest in and to the account[s] listed below maintained with your bank (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby:

Account Name[s]: [**]

Sort Code[s]: [**]

Account No[s]: [**]

[repeat list as necessary]

We irrevocably instruct and authorise you to disclose to the Security Trustee without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to any account[s] maintained with you from time to time as the Security Trustee or Agent may request you to disclose to it.

With effect from the date you receive notice from the Security Trustee that a Notified Event of Default is in existence:

- (a) any existing payment instructions affecting the above account[s] (the **Accounts**) are to be terminated and all payments and communications in respect of such accounts should be made to the Security Trustee or to its order (with a copy to us); and
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from such accounts belong to the Security Trustee.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at:

[Insert Security Trustee's contact details]

Yours faithfully,

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

Part 2 – Form of Acknowledgement

To: Bank of Montreal (the **Security Trustee**)

Date:

Dear Sirs

We confirm receipt from [*Chargor*] (the **Chargor**) of a notice dated [******] in respect of a Debenture dated [******] (the **Debenture**) pursuant to which the Chargor has granted to you all the right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following account[s] which [is/are] maintained with us and the debt or debts represented thereby:

[*List relevant accounts here*]

(the **Account[s]**).

We confirm that there are no restrictions on the creation of security over the Account[s] in favour of the Security Trustee or any third party.

We confirm that we have not received notice of the interest of any third party in [any of] the Account[s].

From the date of this letter until the date upon which we receive a notice from the Security Trustee that a Notified Event of Default is in existence, we will continue to act in accordance with the instructions of the Chargor. From the date of any notice from the Security Trustee that a Notified Event of Default is in existence, we will act only in accordance with the instructions given by persons authorised by the Security Trustee and we shall send all statements and other notices given by us relating to the Account[s] to the Security Trustee with copy to the Agent (at the addresses set out in the notice).

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with English law.

Yours faithfully,

.....
for and on behalf of
[*Account Bank*]

cc. [Chargor]

Schedule 6 – Form of Primary Agreement Notice and Acknowledgement

Part 1 – Form of Notice

To: [●]

Date: [●]

Dear Sirs,

We hereby give you notice that we have assigned to [*Security Trustee*] (the **Security Trustee**) pursuant to a debenture entered into by us in favour of the Security Trustee dated [●] all our right, title and interest in and to [*details*] (the **Agreement(s)**) including all monies which may be payable in respect of the Agreement(s).

Subject to the foregoing, you may continue to deal with us in relation to the Agreement until you receive notice from the Security Trustee stating that a Notified Event of Default is in existence. Thereafter, we will cease to have any right to deal with you in relation to the Agreement and you must deal only with the Security Trustee.

We shall continue to be solely responsible for the performance of our obligations under or in connection with the Agreement.

These instructions may not be revoked, nor may the terms of the Agreement be amended, varied, waived or terminated, without the prior written consent of the Security Trustee.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at:

[*Security Trustee*]

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

Yours faithfully

.....
[*Chargor*]

by:

Name:

Title:

Part 2 – (Primary Agreement Acknowledgment)

To: [Administrative Agent]

Date:

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Agreement and that we will comply with the terms of the notice from the [Chargor].

We further confirm that:

- (a) no amendment, waiver or release of any rights, interests and benefits in and to the Agreement shall be effective without your prior written consent;
- (b) no termination of those rights, interests or benefits shall be effective unless we have given you thirty (30) days' written notice of the proposed termination, specifying the action necessary to avoid such termination; and
- (c) we shall immediately notify you if breach or default occurs under the terms of the Agreement.

We hereby acknowledge that the [Chargor] may continue to deal with us in respect of the Agreement, as if the assignment had not been created until we receive notice from you to the contrary upon the occurrence of a Notified Event of Default is in existence.

We acknowledge receipt of instructions from you in connection with the assignment of the Agreement and confirm that we shall act in accordance with them until we receive written notification from you to the contrary.

For and on behalf of [name of counterparty]

By:

Dated:

Schedule 7 – Accession deed

This Accession Deed is made on *[insert date]*

By:

- (1) *[insert name of new UK Loan Party]* (the **Additional Chargor**);
- (2) [Dollar Financial U.K. Limited] (the **Company**) for itself and as agent for and on behalf of each of the existing Chargors; and
- (3) Bank of Montreal, (the **Security Trustee**).

Background:

This Deed is supplemental to a debenture dated [******] between, among others, the Company, the existing Chargors and the Security Trustee (the **Debenture**).

It is agreed as follows:

- 1 Unless defined in this Accession Deed or the context otherwise requires, a term defined in this Debenture or in any other Loan Document has the same meaning in this Accession Deed or any notice given under or in connection with this Debenture.
- 2 The Additional Chargor hereby agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party thereto as a Chargor. Accordingly, without prejudice to the foregoing, the Additional Chargor hereby:
 - (a) as primary obligor covenants with the Security Trustee that it shall, in accordance with the Credit Agreement, discharge and satisfy the Obligations on demand when the same fall due for payment under the terms of the relevant Loan Documents;
 - (b) subject to Clause 3 below, as continuing security for the payment and discharge of the Obligations, the Additional Chargor charges in favour of the Security Trustee (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provision) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Credit Agreement) the following assets:
 - (i) by way of first legal mortgage, its Mortgaged Property;
 - (ii) by way of first fixed charge, all of its rights, title and interest from time to time in and to:
 - (A) all its Real Estate to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause (i) above;
 - (B) its Tangible Moveable Property;
 - (C) all of its rights in respect of any amount from time to time standing to the credit of its Bank Accounts;
 - (D) any contract or agreement to which it is a party;

- (E) its Monetary Claims;
 - (F) its Investments together with all Distribution Rights;
 - (G) its Shares together with all Distribution Rights;
 - (H) its Intellectual Property;
 - (I) its interest in and claims under all Primary Agreements and any corresponding proceeds payable to it; and
 - (J) any goodwill, rights and claims in relation to the uncalled capital of that Chargor; and
- (c) subject to Clause 3 below, as further continuing security for the payment and discharge of the Obligations, the Additional Chargor charges with full title guarantee by way of first floating charge in favour of the Security Trustee all of its present and future assets and undertaking.
- 3 Notwithstanding any other provision of this Accession Deed [and/or] any Loan Document to the contrary, the Additional Chargor does not, and shall not be required to, grant security (or any other rights) in favour of the Security Trustee over any Disregarded Asset.
- 4 The Security Trustee hereby requests that the Additional Chargor promptly provides (and, in any event, no later than ten (10) Business Days following the date of this Accession Deed) those notices and documents of title referred to in clause 6 of the Debenture.
- 5 The existing Chargors hereby agree to the terms of this Accession Deed.
- 6 The Additional Chargor irrevocably appoints the Company as its agent for the purpose of executing any future Accession Deed on its behalf pursuant to clause 21.1.2 of the Debenture and sets out below its contact details for notices pursuant to clause 20 (*Notices*) of the Debenture:
- [Contact details]
- 7 The provisions of clauses 16 (*Costs and Expenses*), 20 (*Notices*) and 21.2 (*Governing Law and Enforcement*) of the Debenture shall apply to this Deed *mutatis mutandis*.

This Accession Deed has been executed as, and is intended to take effect as, a deed by the Additional Chargor and has been signed by the Security Trustee on the date written on the first page of this Accession Deed.

**Signed as a Deed by [Name of attorney]
as attorney for [Additional chargor]
under a power of attorney dated [Date]**

.....

in the presence of:

[Name of attorney] as attorney for
[Additional chargor]
Address:
Fax No:

.....

Name:.....

Address:

Occupation:

The Security Trustee

Bank of Montreal
as Security Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

SIGNATURE PAGES TO THE DEBENTURE

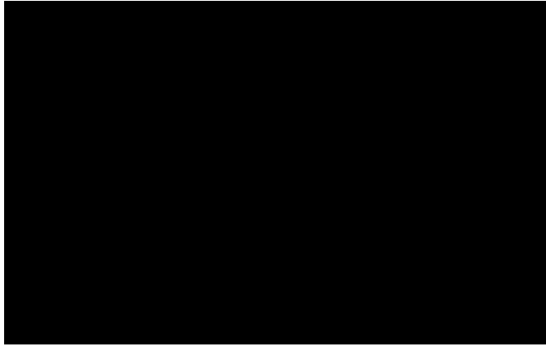
The Chargors

Signed as a deed by
Dollar Financial U.K. Limited

Scott Cohen, Director



in the presence of: Maureen Fitzpatrick

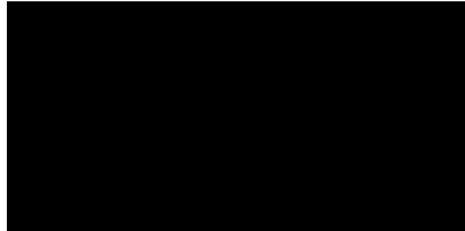


Address: Dollar Financial Group
74 Swedesford Road
Malvern
Pennsylvania 19355
United States of America

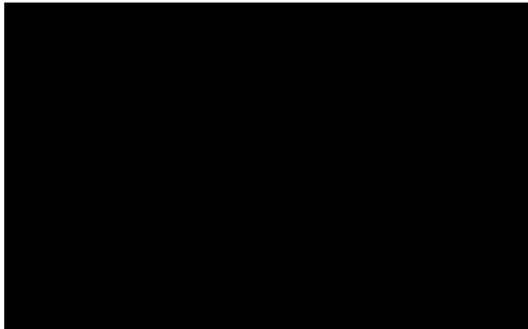


Signed as a deed by
Sterling DFC United Kingdom LTD

Scott Cohen, Director



in the presence of: Maureen Fitzpatrick



Address: Dollar Financial Group
74 Swedesford Road
Malvern
Pennsylvania 19355
United States of America



The Security Trustee

Signed as a deed by
Bank of Montreal
as Security Trustee

By: _____

Name:

Title:

By: _____

Name:

Title:



Debenture

subject to the terms of the Intercreditor Agreement

Dated 30 January 2019

The Persons Listed in Schedule 1
(Chargors)

and

Bank of Montreal
(Security Trustee)

Dentons UK and Middle East LLP
One Fleet Place
London EC4M 7WS
United Kingdom
DX 242

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Debenture

This Debenture is made by way of a deed.

Dated 30 January 2019

By:

- (1) The Companies listed in Schedule 1 (*Chargors*) (each a **Chargor**) in favour of
- (2) Bank of Montreal (the **Security Trustee**).

It is agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Debenture and each Mortgage (as defined below):

Accession Deed means a deed of accession to this Debenture substantially in the form set out in Schedule 7 (*Accession Deed*).

Account Acknowledgement means a letter of acknowledgement in substantially the form set out in Part 2 of Schedule 5 (*Form of Account Notice and Acknowledgement*) or in such other form acceptable to the Security Trustee.

Account Notice means a notice of assignment in substantially the form set out in Part 1 of Schedule 5 (*Form of Account Notice and Acknowledgement*) or in such other form acceptable to the Security Trustee.

Additional Chargor means a Group Member which becomes a Chargor by executing an Accession Deed in accordance with Clause 21.1.2 (*General*).

Bank Account means each of the accounts opened or maintained by any Chargor with any bank, building society, financial institution or other person (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby.

Collateral Rights means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Debenture and/or any Mortgage or by law.

Credit Agreement means the credit agreement dated the date of this Debenture and made between, amongst others, Sterling Mid-Holdings Limited, Sterling Holdings Limited, DFC Global Corp., National Money Mart Company and the Security Trustee, as the same may be amended, restated, amended and restated, supplemented, restructured or otherwise modified, renewed or replaced from time to time.

Default Notice means a notice received by a Chargor from the Administrative Agent and Collateral Agent, which specifies that:

- (a) an Event of Default is continuing; and

- (b) the Collateral Agent intends to exercise its Collateral Rights against that Chargor as a result of the occurrence of such Event of Default.

Disregarded Assets means any Excluded Assets of a Chargor.

Distribution Rights means in relation to Shares and Investments, 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 any such asset, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise.

Fixed Security means any mortgage, fixed charge or assignment expressed to be constituted by or pursuant to Clause 3.1 (*Fixed Security*) of this Debenture.

Fixed Security Assets means all of the assets and undertaking of each Chargor which from time to time are the subject of Fixed Security.

Intellectual Property means any patents, trade marks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, and the benefit of all applications and rights to use such assets in which any Chargor may from time to time have an interest.

Investments means any:

- (a) stocks, shares, debentures and certificates of deposit and other instruments creating or acknowledging indebtedness, including alternative finance investment bonds (but not including the Shares);
- (b) interests in collective investment schemes, in whatever form or jurisdiction any such scheme is established, including partnership interests;
- (c) warrants and other instruments entitling the holder to subscribe for or acquire any investments described in paragraph (a) or (b) above;
- (d) certificates and other instruments conferring contractual or property rights (other than options) in respect of the investments described in paragraph (a), (b) or (c) above; and
- (e) options to acquire any investments described in paragraph (a), (b), (c) or (d) above,

in each case whether held directly by or to the order of any Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system including, without limitation, any contractual rights or any right to delivery of all or any part of the Investments from time to time).

Monetary Claims means book and other debts and monetary claims owing to any Chargor, in each case, in respect of goods sold or leased or services rendered, and any proceeds of such debts and claims and all rights and claims of such charging Company against third parties and against any Security Asset in respect of such debt, proceeds or claims.

Mortgage means a charge by way of legal mortgage in respect of all or any part of the Real Estate between any Chargor and the Security Trustee substantially in the form of Schedule 4 (*Form of Mortgage*).

Mortgaged Property means the freehold and leasehold property specified in the schedule to each Mortgage.

Notified Event of Default means an Event of Default is continuing and the relevant Chargor has received a corresponding Default Notice.

Primary Agreement Acknowledgement means a letter of acknowledgement in substantially the form set out in Part 2 of Schedule 6 (*Form of Primary Agreement Notice and Acknowledgement*) or such form acceptable to the Security Trustee.

Primary Agreement Notice means a notice of assignment in substantially the form set out in Part 1 of Schedule 6 (*Form of Primary Agreement Notice and Acknowledgement*) or such form acceptable to the Security Trustee.

Primary Agreements means the agreements described in Schedule 2 (*Primary Agreements*) or any other agreement that may from time to time be designated as a Primary Agreement by the Security Trustee and Dollar Financial U.K. Limited.

Real Estate means:

- (a) any present or future freehold property of a Chargor in England and Wales; and
- (b) any buildings and fixtures (including trade fixtures) from time to time situated on or forming part of such freehold land.

Receiver means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

Security means any Lien created pursuant to Clause 3 (*Grant of Security*) or any Mortgage.

Security Assets means all of the assets and undertaking of each Chargor which from time to time are the subject of any Lien created by it in favour of the Security Trustee by or pursuant to this Debenture and any Mortgage.

Security Period means the period beginning on the date of this Debenture and ending on the date of the Discharge of Obligations.

Shares means any stocks, shares, debentures and other securities owned by a Chargor, including those described in Schedule 3 (*Shares*).

Tangible Moveable Property means any plant, machinery, office equipment, computers, vehicles, furniture, fittings and other equipment.

Trust Property means:

- (a) the Security created or evidenced or expressed to be created or evidenced under or pursuant to any of the Loan Documents (being the **Transaction Security**), and expressed to be granted in favour of the Security Trustee as trustee for the Secured Parties and all proceeds of that Transaction Security;

- (b) all obligations expressed to be undertaken by a Loan Party to pay amounts in respect of its liabilities to the Security Trustee as trustee for the Secured Parties and secured by the Security together with all representations and warranties expressed to be given by a Loan Party in favour of the Security Trustee as trustee for the Secured Parties;
- (c) the Security Trustee's interest in any trust fund created pursuant to any turnover of receipt provisions in any Loan Documents; and
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Trustee is required by the terms of the Loan Documents to hold as trustee on trust for the Secured Parties.

1.2 Terms defined in Credit Agreement

Unless defined in this Debenture or the context otherwise requires, a term defined in the Credit Agreement or in any other Loan Document has the same meaning in this Debenture or any notice given under or in connection with this Debenture.

1.3 Construction

1.3.1 In this Debenture, unless a contrary indication appears, any reference in this Debenture to:

- (a) the "**Security Trustee**" or any "**Chargor**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) any "**Chargor**" shall be construed so as to include any Additional Chargor (subject to Clause 8 (*Release*));
- (c) a document in "**agreed form**" is a document which is previously agreed in writing by or on behalf of a Chargor and the Security Trustee;
- (d) "**assets**" includes present and future properties, revenues and rights of every description;
- (e) an agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended or restated;
- (f) 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);
- (g) 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, compliance with which would be customary among those persons to whom it is directed) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (h) a provision of law is a reference to that provision as amended or re-enacted; and
- (i) a time of day is a reference to London time.

1.3.2 The parties to this Debenture intend that it shall take effect as a deed notwithstanding the fact that a party to this Debenture may have only executed this document under hand.

- 1.3.3 Unless the context requires otherwise, references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture.
- 1.3.4 It is agreed that each Mortgage is supplemental to this Debenture and, to the extent the provisions of this Debenture conflict with those of any Mortgage, the provisions of that Mortgage shall prevail.
- 1.3.5 Clauses 1.2 (*Terms defined in Credit Agreement*), 1.3 (*Construction*), 1.4 (*Third party rights*), 1.5 (*Other Loan Documents*), 4 (*Security Assets*), 8 (*Release*), 11 (*Further assurance*), 12 (*Power of attorney*), 13 (*Security enforcement*), 14 (*Receivers*), 17 (*Application of proceeds*), 18 (*Prior interests*) and 21 (*Miscellaneous*) of this Debenture are deemed to form part of each Mortgage as if expressly incorporated into each Mortgage and as if references in those Clauses to (i) this Debenture were references to that Mortgage and (ii) the Security Assets were references to assets of the each Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Security Trustee by or pursuant to that Mortgage.
- 1.3.6 The absence of or incomplete details of any Security Assets in any Schedule shall not affect the validity or enforceability of any Lien under this Debenture or any Mortgage.
- 1.3.7 Clauses 3.1 (*Fixed Security*), 3.2 (*Floating charge*) and 3.6 (*Security assignments*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Debenture or any Mortgage and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Debenture or any Mortgage or any act or omission by any party to such agreement) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.
- 1.4 Third party rights**
- Unless expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.
- 1.5 Other Loan Documents**
- In the event that the terms of this Debenture conflict with the terms of the Credit Agreement or the Intercreditor Agreement, the terms of the Credit Agreement or the Intercreditor Agreement (as applicable) shall prevail. In the event of any inconsistency between the terms of the Credit Agreement and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.
- 1.6 Declaration of trust**
- 1.6.1 The Security Trustee hereby accepts its appointment as agent and trustee by the Secured Parties and declares (and each of the Chargors hereby acknowledges) that the Trust Property is held by the Security Trustee as a trustee for and on behalf of the Secured Parties on the basis of the duties, obligations and responsibilities set out in the Credit Agreement.
- 1.6.2 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts created by this Debenture or any other Loan Document. In performing its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting

only in a mechanical and administrative capacity or as expressly provided in this Debenture and the other Loan Documents.

- 1.6.3 In acting as trustee for the Secured Parties under this Debenture, the Security Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments. Any information received by some other division or department of the Security Trustee may be treated as confidential and shall not be regarded as having been given to the Security Trustee's trustee division.

2 Covenant to pay

Each Chargor as primary obligor covenants with the Security Trustee that it shall, in accordance with the Credit Agreement, discharge and satisfy the Obligations on demand when the same fall due for payment under the terms of the relevant Loan Documents.

3 Grant of security

3.1 Fixed Security

Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor charges in favour of the Security Trustee (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provision) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Credit Agreement) the following assets:

- (a) by way of first legal mortgage, its Mortgaged Property;
- (b) by way of first fixed charge, all of its rights, title and interest from time to time in and to:
 - (i) all its Real Estate to the extent not validly and effectively charged by way of first legal mortgage pursuant to paragraph (a) above;
 - (ii) its Tangible Moveable Property;
 - (iii) all of its rights in respect of any amount from time to time standing to the credit of its Bank Accounts;
 - (iv) any contract or agreement to which that Chargor is a party;
 - (v) its Monetary Claims;
 - (vi) its Investments together with all Distribution Rights;
 - (vii) its Shares together with all Distribution Rights;
 - (viii) its Intellectual Property;
 - (ix) its interest in and claims under all Primary Agreements and any corresponding proceeds payable to a Chargor; and
 - (x) any goodwill, rights and claims in relation to the uncalled capital of that Chargor.

3.2 Floating charge

- 3.2.1 Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor charges (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provision) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Indenture) by way of first floating charge in favour of the Security Trustee all present and future assets and undertaking of that Chargor.
- 3.2.2 The floating charge created pursuant to Clause 3.2.1 above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Loan Documents in favour of the Security Trustee as security for the Obligations.
- 3.2.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to Clause 3.2.1 above.

3.3 Crystallisation by notice

In the event of a Notified Event of Default, the Security Trustee may at any time by notice in writing to any Chargor convert the floating charge created pursuant to Clause 3.2 (*Floating charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice.

3.4 Automatic crystallisation

Notwithstanding Clause 3.3 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created pursuant to Clause 3.2 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) a resolution is passed for the winding up or administration of any Chargor or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced in relation to any Chargor; or
- (b) an administrator or Receiver is appointed in respect of any Chargor or any of its assets or the Security Trustee receives notice of an intention to appoint a Receiver or an administrator pursuant to paragraphs 15 or 26 of schedule B1 of the Insolvency Act 1986 in respect of any Chargor,

however, no floating charge created by this Clause 3.4 may be converted into a fixed charge or otherwise crystallise solely by reason of:

- (i) the obtaining of a moratorium by a Chargor; or
- (ii) anything done with a view to obtaining a moratorium under section 1A and schedule A1 to the Insolvency Act 1986.

3.5 Reconversion

The Security Trustee may, in its sole discretion and at any time, reconvert a charge that has crystallised under Clause 3.3 (*Crystallisation by notice*) or Clause 3.4 (*Automatic crystallisation*) into a floating charge by transmitting written notice to the relevant Chargor of such election.

3.6 Security assignments

Subject to Clause 3.7 (*Disregarded Assets*), as continuing security for the payment and discharge of the Obligations, each Chargor assigns and agrees to assign by way of security (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provisions) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Indenture) to the Security Trustee each Primary Agreement.

3.7 Disregarded Assets

Notwithstanding any other provision of any Loan Document to the contrary:

- (a) each Chargor does not, and shall not be required to, grant security (or any other rights) in favour of the Security Trustee over any Disregarded Asset; and
- (b) Clauses 5 (*Accounts and monetary claims*), 6 (*Other undertakings*), 11 (*Further assurance*) and 12 (*Power of attorney*) shall not apply to Disregarded Assets and shall be subject to the Excluded Perfection Requirements,

provided, however, that if any assets or property cease to be Disregarded Assets, they shall no longer be excluded pursuant to this Clause 3.7 (*Disregarded Assets*) and the security interest granted by this Agreement shall attach to such assets or property immediately and automatically (without need for any further grant or act) at such time as such assets or property cease to constitute Disregarded Assets.

4 Security Assets

4.1 Negative pledge

No Chargor shall at any time during the Security Period create or permit to subsist any Lien over all or any part of the Security Assets or dispose of or otherwise deal with any part of the Security Assets (other than to the extent expressly permitted by the terms of the other Loan Documents).

4.2 Responsibility

The Security Trustee shall not be under any obligation in relation to the Security Assets as a consequence of this Debenture or any Mortgage and each Chargor shall at all times remain liable to perform all obligations in respect of the Security Assets.

4.3 Implied covenants

Notwithstanding anything to the contrary in this Debenture, the covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3.1 (*Fixed Security*), 3.2 (*Floating charge*) or 3.6 (*Security Assignments*).

5 Accounts and monetary claims

5.1 Notice and acknowledgements

Each Chargor shall:

- (a) deliver an Account Notice duly completed and executed by, or on behalf of, each such Chargor to the relevant account bank on the date it opens any future Bank Accounts for such future Bank Accounts; and
- (b) use reasonable endeavours to procure the receipt of an Account Acknowledgement duly completed and executed by, or on behalf of, the relevant account bank by the Security Trustee on such date.

5.2 Control

Each Chargor shall be free to operate each Bank Account except in the event of a Notified Event of Default in respect of which the Security Trustee has notified an account bank with which a Bank Account is held of the same (with a copy of such notice being provided to the relevant Chargor promptly after it is given), in which case each Chargor shall be prohibited from giving instructions or exercising its rights in respect of any Bank Account referred to in such notice, including withdrawing any amounts standing to the credit of such Bank Account, without the prior written consent of the Security Trustee.

5.3 Monetary Claims

Subject as provided in the Credit Agreement and other than in the ordinary course of business, each Chargor shall not:

- (a) postpone the due date of any Monetary Claim;
- (b) agree to reduce the amount of any Monetary Claim;
- (c) release, wholly or partially, any third party liable for the payment of any Monetary Claim; or
- (d) amend, supplement or modify any Monetary Claim in any manner that could materially and adversely affect the value thereof.

6 Other undertakings

6.1 Primary Agreements

Each Chargor shall:

- (a) deliver a Primary Agreement Notice duly completed and executed by, or on behalf of, such Chargor to the other parties to the Primary Agreements to which it is a party:
 - (i) on the date of this Debenture, in the case of any existing Primary Agreement;
 - (ii) following its entry into any other Primary Agreement; and
- (b) use reasonable endeavours to deliver a Primary Agreement Acknowledgment duly executed by the recipient of such notice to the Security Trustee.

6.2 Deposit of documents

Each Chargor shall, in relation to the Security Assets, deposit with the Security Trustee (or procure the deposit of):

- (a) all certificates or other documents of title to the Shares and stock transfer forms (executed in blank by it or on its behalf)
 - (i) on the date of this Debenture in respect of those Shares listed in Schedule 3 (*Shares*); and
 - (ii) promptly following its receipt of a written request from the Security Trustee in respect of all future Shares; and
- (b) promptly following a written request from the Security Trustee, all deeds, certificates and other documents constituting or evidencing title to Real Estate.

6.3 Registration

- 6.3.1 Each Chargor hereby consents to an application being made to the Land Registry to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Security Assets.
- 6.3.2 Each Chargor shall, if requested by the Security Trustee, execute all such documents and do all such acts as the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property forming part of the Security Assets.

6.4 Shares

- 6.4.1 Except in the event of a Notified Event of Default, each Chargor shall:
 - (a) be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Shares; and
 - (b) subject to Clause 6.4.2 below, be entitled to exercise all voting rights in relation to the Shares in a manner which is consistent with the terms of the Loan Documents and which does not adversely affect the validity or enforceability of any Security created by this Debenture.
- 6.4.2 No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its rights in relation to the Shares in a manner materially adverse to the Secured Parties (except as permitted by the Loan Documents) or which would conflict with the terms of any Loan Document.

7 Representations and warranties

7.1 General

Each Chargor represents and warrants to the Security Trustee as set out in this Clause 7 on the date of this Debenture.

7.2 Shares

It is the legal and beneficial owner of the Shares identified against its name in Schedule 3 (*Shares*) and all of those shares are fully paid and not subject to any lien, rights of pre-emption or similar rights restricting transferability.

8 Release

8.1 Security Period

Upon the expiry of the Security Period, the Security Trustee shall release and cancel any Lien constituted by this Debenture and each Mortgage and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Debenture and each Mortgage, in each case subject to Clause 15.7 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

8.2 Other

8.2.1 The Security Trustee shall, without recourse to, or any representation or warranty by it, release and cancel any Lien constituted by this Debenture over the relevant Security Assets and procure the reassignment to the relevant Chargor of the relevant property and assets assigned to the Security Trustee pursuant to this Debenture in accordance with section 11.17 (*Releases of Guarantees and Liens*) of the Credit Agreement.

8.2.2 The Security Trustee shall, upon request, shall promptly (at the relevant Chargor's cost) do all such acts or execute all such documents as the relevant Chargor (or another Loan Party acting on its behalf) may reasonably require in relation to any release or reassignment contemplated by this Clause 8.

9 Further advances

9.1 Credit Agreement

If, under the terms of the Credit Agreement, the Lenders are under an obligation to make further advances to a Borrower or any other person, whether or not such obligation arises out of any amendment, amendment and restatement and/or supplement to any Credit Agreement, all obligations of that Borrower in respect of any such advances shall form part of the Obligations.

9.2 Land registry

Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Security Assets.

10 Liability

10.1 Liability not discharged

Each Chargor's liability under this Debenture or any Mortgage in respect of any of the Obligations shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is or becomes wholly or partially illegal, void or unenforceable on any ground;
- (b) the Security Trustee:
 - (i) renewing, determining, varying or increasing any facility or other transaction in any manner;
 - (ii) concurring in, accepting or varying any compromise, arrangement or settlement; or
 - (iii) omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this Clause 10.1, might have discharged, or otherwise prejudiced or affected, the liability of that Chargor.

11 Further assurance

11.1 General

11.1.1 The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 11.1.2 below.

11.1.2 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Mortgage over any Real Estate in England and Wales not already the subject of a registrable Mortgage and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s) to create, perfect and/or protect the Security created or intended to be created by this Debenture or any Mortgage and to facilitate the realisation of the Security Assets.

11.2 Third party consent

Each Chargor shall, following its receipt of a written request from the Security Trustee, use commercially reasonable efforts to obtain any consent of a Governmental Authority necessary to enable the assets of that Chargor to be the subject of the relevant Fixed Security pursuant to this Debenture and each Mortgage. Promptly upon obtaining any such consent or removing any such restriction, the asset concerned will become subject to that Fixed Security and each relevant Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Security Trustee.

12 Power of attorney

12.1 Appointment and powers

In the event of a Notified Event of Default, each Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things necessary for:

- (a) carrying out any obligation imposed on any Chargor by this Debenture, any Mortgage or any other Loan Document binding on such Chargor to which the Security Trustee

is party and which that Chargor is obligated to do but has not done (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the security created or intended to be created in respect of the Security Assets); and

- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture, each Mortgage or by law (including, except in the event of a Notified Event of Default, the exercise of any right of a legal or beneficial owner of the Security Assets).

12.2 Ratification

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

12.3 Power to remedy

12.3.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by any Chargor of any of its obligations contained in this Debenture, provided that the exercise by the Security Trustee of its powers under this provision shall not render the Security Trustee liable to account as a mortgagee in possession.

12.3.2 Each Chargor irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

12.3.3 Any monies expended by the Security Trustee in remedying a breach by a Chargor of its obligations contained in this Debenture shall be reimbursed by the Chargors to the Security Trustee in accordance with section 11.5 (*Payment of Expenses*) of the Credit Agreement.

13 Security enforcement

13.1 Time for enforcement

In the event of a Notified Event of Default, the Security created by or pursuant to this Debenture and each Mortgage is immediately enforceable and the Security Trustee may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (a) 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 Security Assets (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (b) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers.

13.2 Power of sale

13.2.1 The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise

(and the Obligations shall be deemed due and payable for that purpose) on the date of this Debenture or any Mortgage.

- 13.2.2 The restrictions contained in sections 93, 103 and 109(1) of the Law of Property Act 1925 shall not apply to this Debenture or any Mortgage or to the exercise by the Security Trustee of its right to consolidate all or any of the Security created by or pursuant to this Debenture or any Mortgage with any other Lien in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to any Chargor on or at any time after this Debenture or any Mortgage has become enforceable in accordance with this Clause 13 (*Security enforcement*).

13.3 Certificate

A certificate in writing by an officer or agent of the Security Trustee that the power of sale or disposal has arisen and is exercisable shall be conclusive evidence of that fact, in favour of a purchaser of all or any part of the Security Assets.

13.4 Assignee's liability

Neither the Security Trustee nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of the Security Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Security Assets for which a mortgagee or mortgagee in possession might as such be liable.

13.5 Right of appropriation

To the extent that any part of the Security created by or pursuant to this Debenture constitutes "financial collateral" and this Debenture and the obligations of each Chargor hereunder 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 (SI 2003 No. 3226) (the **Regulations**)), the Security Trustee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Obligations and may exercise such right to appropriate upon giving written notice to each Chargor. For this purpose, the parties to this Debenture agree that the value of such financial collateral so appropriated shall be the aggregate of the principal amount outstanding under each agreement then existing, together with any accrued but unpaid interest, fees or other charges under such agreements, determined by the Security Trustee by reference to such process as the Security Trustee may select. The parties to this Debenture further agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

13.6 Statutory powers

The powers conferred by this Debenture on the Security Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Debenture the terms of this Debenture will prevail.

14 Receivers

14.1 Appointment and removal

After any Security created by or pursuant to this Debenture or any Mortgage has become enforceable in accordance with Clause 13 (*Security enforcement*), the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee):

- (a) without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Security Assets;
 - (ii) appoint two or more Receivers of separate parts of the Security Assets;
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed;
 - (iv) appoint another person(s) as an additional or replacement Receiver(s); or
 - (v) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; and
- (b) following notice to the relevant Chargor, appoint one or more persons to be an administrator of that Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

14.2 Capacity of receivers

Each person appointed to be a Receiver pursuant to Clause 14.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

14.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets.

14.4 Powers of Receivers

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to

exercise, in relation to the Security Assets (and any assets of any Chargor which, when got in, would be Security Assets) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture and each Mortgage (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Security Assets.

14.5 Receiver as agent

Each Receiver shall be the agent of the relevant Chargor, which shall be solely responsible for their acts or defaults, and for their remuneration and expenses, and be liable on any agreements or engagements made or entered into by them. The Security Trustee will not be responsible for any misconduct, negligence or default of a Receiver.

14.6 Remuneration of Receiver

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and section 109(6) of the Law of Property Act 1925 shall not apply.

14.7 Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

14.8 Protection of purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings.

14.9 Discretions

Any liberty or power which may be exercised or any determination which may be made under this Debenture or any Mortgage by the Security Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

14.10 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself.

14.11 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Debenture (unless the document appointing such Receiver states otherwise).

15 Effectiveness of collateral

15.1 Collateral cumulative

The Security created by or pursuant to this Debenture and each Mortgage, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Lien which the Security Trustee or any Secured Party may at any time hold for the Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Lien. No prior Lien held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Security Assets shall merge into the Security constituted by this Debenture and each Mortgage.

15.2 No waiver

No failure to exercise, or any delay in exercising, on the part of the Security Trustee, any right or remedy under this Debenture or any Mortgage shall operate as a waiver of any such right or remedy or constitute an election to affirm this Debenture, any Mortgage or any other Loan Document. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy of the Security Trustee. The rights and remedies are cumulative and not exclusive of any rights or remedies provided by law.

15.3 Illegality, invalidity, unenforceability

If, at any time, any provision of this Debenture or any Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

15.4 No liability

Neither the Security Trustee nor any Receiver nor any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken in relation to all or any of the Security Assets;
- (b) for any failure to take any action in relation to all or any of the Security Assets;
- (c) to account as mortgagee in possession or for any loss on realisation of any of the Security Assets;
- (d) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 17 (*Application of proceeds*); or
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

15.5 Continuing security

The Security created by or pursuant to this Debenture and each Mortgage shall remain in full force and effect as a continuing security for the Obligations unless and until discharged by the Security Trustee in writing or otherwise pursuant to Clause 8 (*Release*).

15.6 Immediate recourse

Each Chargor waives any right it may have of first requiring the Security Trustee or any Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from each Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

15.7 Avoidance of payments

If the Security Trustee considers that any amount paid or credited to a Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Debenture or any Mortgage and the Security constituted by those documents will continue and such amount will not be considered to have been irrevocably discharged.

15.8 Non-competition

15.8.1 Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Mortgage:

- (a) to be indemnified by another Loan Party;
- (b) to claim any contribution from any guarantor of any Loan Party's obligations under this Debenture or any Mortgage;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under this Debenture or any Mortgage

or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture or any Mortgage by any Secured Party;

- (d) to bring legal or other proceedings for an order requiring any Loan Party to make any payment, or perform any obligation, in respect of which any Loan Party has given a guarantee, undertaking or indemnity under any Loan Document;
- (e) to exercise any right of set-off against any Loan Party; and/or
- (f) to claim or prove as a creditor of any Loan Party in competition with any Secured Party.

15.8.2 If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any such parties by the Chargors under or in connection with this Debenture or any Mortgage to be repaid in full and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 17 (*Application of proceeds*).

15.9 No prejudice

The Security created by or pursuant to this Debenture or any Mortgage and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other deed or document or by any time or indulgence granted to any Chargor or any other person by the Security Trustee or any other Secured Party or by any variation of the terms of the trust upon which the Security Trustee holds the Security or by any other thing which might otherwise prejudice the Security or the Collateral Rights.

16 Costs and expenses

Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security, reimburse the Security Trustee, its attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain as a consequence of any breach by each Chargor of the provisions of this Debenture or any Mortgage, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or any Mortgage, or otherwise relating to any Security created pursuant to this Debenture or any Mortgage, in each case, in accordance with sections 9.7 (*Indemnification*) and 11.5 (*Payment of Expenses*) of the Credit Agreement.

17 Application of proceeds

17.1 Order

All monies received or recovered and any non-cash recoveries made or received by the Security Trustee or any Receiver pursuant to this Debenture or any Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Trustee (notwithstanding any purported appropriation by any Chargor) in accordance with section 9.12 (*Application of Proceeds of Realization*) of the Credit Agreement.

17.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Debenture and each Mortgage (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Trustee considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's discretion, in or towards the discharge of any of the Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

17.3 Currency

- 17.3.1 For the purpose of or pending the discharge of any of the Obligations, the Security Trustee may convert any money received, recovered or realised or subject to application by it under this Debenture or any Mortgage from one currency to another, as the Security Trustee thinks fit and any such conversion shall be effected at the Security Trustee's spot rate of exchange for the time being for obtaining such other currency with the first currency.
- 17.3.2 If any sum (a **Sum**) owing by a Chargor under this Debenture, any Mortgage, or any order or judgment given or made in relation to any such deed has to be converted from the currency (the **First Currency**) in which such Sum is payable into another currency (the **Second Currency**) for the purpose of:
- (a) making or filing a claim or proof against each Chargor;
 - (b) obtaining an order or judgment in any court or other tribunal;
 - (c) enforcing any judgment given or made in relation to this Debenture; or
 - (d) applying the Sum in satisfaction of any Obligations.

18 Prior interests

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Lien against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Debenture or any Mortgage, the Security Trustee may redeem such prior security or procure the transfer thereof to itself. The Security Trustee may settle and agree the accounts of the prior Lien and any accounts so settled and agreed will be conclusive and binding on each Chargor.

19 Subsequent interests

If the Security Trustee (acting in its capacity as trustee or otherwise) or any other Secured Party at any time receives or is deemed to have received notice of any subsequent Lien, assignment or transfer affecting all or any part of the Security Assets which is prohibited by the terms of any Loan Document, all payments thereafter by or on behalf of the relevant Chargor to the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party will (in the absence of any express contrary appropriation by that Chargor) be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Obligations at the time that notice was received.

20 Notices

Any notice, request or demand to be given under this Security Agreement shall be given in accordance with section 11.2 (*Notices*) of the Credit Agreement.

21 Miscellaneous

21.1 General

- 21.1.1 Each Chargor acknowledges the Collateral Agents' rights of set-off under section 8.6 of the US Guarantee and Collateral Agreement.
- 21.1.2 Each Chargor consents to Group Members acceding to this Debenture pursuant to section 6.9 (*Successors and Assigns; Participations and Assignments*) of the Credit Agreement and irrevocably appoints Dollar Financial U.K. Limited as its agent for the purpose of executing any Accession Deed on its behalf.
- 21.1.3 Any certification or determination by the Security Trustee of a rate or amount under this Debenture or any Mortgage is, in the absence of error, conclusive evidence of the matters to which it relates.
- 21.1.4 This Debenture and any Mortgage shall be binding upon and shall inure to the benefit of each party to such agreement and its direct or subsequent legal successors, permitted transferees and assigns.
- 21.1.5 No Chargor shall assign any of its rights or transfer either by novation or by way of assignment, assumption and release any of its rights or obligations under this Debenture or any Mortgage to any person.
- 21.1.6 No amendment waiver by the Security Trustee of any of its rights under this Debenture shall be effective unless given in accordance with the terms of the other Loan Documents.
- 21.1.7 This Debenture 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 Debenture.

21.2 Governing law and enforcement

- 21.2.1 This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 21.2.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or the consequences of its nullity) or any non-contractual obligations arising out of or in connection with this Debenture.

This Debenture has been signed on behalf of the Security Trustee and executed as a deed by each Chargor and is intended to be and is hereby delivered by it as a deed on the date specified above.

Schedule 1 – Chargors

<u>Name</u>	<u>Registered number</u>	<u>Registered address</u>
Dollar Financial U.K. Limited	03701758	6 Bevis Marks, London, England, EC3A 7BA
Sterling DFC United Kingdom Ltd.	09080148	6 Bevis Marks, London, England, EC3A 7BA

Schedule 2 – Primary agreements

N/A

Schedule 3 – Shares

<u>Shareholder</u>	<u>Name of Company</u>	<u>Issued Share Capital</u>	<u>Description and Number of Shares Held</u>
Dollar Financial U.K. Limited	Sterling DFC United Kingdom Ltd.	261,795,676	261,795,676 ordinary shares of £1 each
Sterling Mid-Holdings Limited	Dollar Financial U.K. Limited	98,328,417	98,328,417 ordinary shares of £1 each

Schedule 4 – Form of mortgage

Mortgage

relating to *[specify properties]*

Dated **

Mortgagor(s)
(Mortgagor(s))

in favour of

Administrative Agent
(Security Trustee)

Dentons UK and Middle East LLP
One Fleet Place
London EC4M 7WS
United Kingdom
DX 242

Mortgage

This Mortgage is made by way of deed on [**] by:

- (1) [Mortgagor] (the **Mortgagor**) (registered in England and Wales) with company registration number [Enter Mortgagor Registration Number] (the **Mortgagor**)/[The Companies listed in Schedule 1 (*Chargors*) (each a **Mortgagor**)] in favour of
- (2) [Administrative Agent] as trustee for each of the Beneficiaries (the **Security Trustee**)).

This deed witnesses as follows:

1 Mortgage

[The Mortgagor]/[Each Mortgagor] charges with full title guarantee in favour of the Security Trustee (as trustee for the Beneficiaries), for the payment and discharge of the Obligations, by way of first legal mortgage, the freehold and leasehold property specified [against its name] in [the Schedule][[the Schedule 2 (*Mortgaged Property*)] (the **Mortgaged Property**).

2 Implied covenants for title

- 2.1 The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 1 (*Mortgage*).
- 2.2 It shall be implied in respect of Clause 1 (*Mortgage*) that [the Mortgagor]/[each Mortgagor] is disposing of the Mortgaged Property free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

3 Application to the land registry

[The Mortgagor]/[Each Mortgagor] consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land forming part of the Mortgaged Property:

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

4 Further advances

Subject to the terms of the Facility, each Lender is under an obligation to make further advances to [the Mortgagor]/[each Mortgagor] and that obligation will be deemed to be incorporated in this Legal Charge as if set out in this Mortgage. [The Mortgagor]/[Each Mortgagor] consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register relating to the Mortgaged Property.

5 Governing law

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

This Mortgage has been executed as, and is intended to take effect as, a deed by [the Mortgagor]/[each Mortgagor] and has been signed by the Security Trustee on the date written on the first page of this Mortgage.

Schedule 1 – [To mortgage mortgagors]

Schedule 2 – To mortgage mortgaged property

[Specify property which is the subject of a separate Legal Charge]

[

Property Description	Title Number
----------------------	--------------

]

[

Mortgagor	Property Description	Title Number
-----------	----------------------	--------------

]

Execution page to mortgage¹

Executed as a deed by)

[[Enter Mortgagor Name[1]]][Name of Mortgagor])

Director

Name:

Director/Secretary

Name:

Executed and Delivered as a Deed)
By)

And)

for and on behalf of)
[Administrative Agent])
Security Trustee)

.....
Authorised signatory

.....
Authorised signatory

In the presence of:

.....
Signature

.....
Name

.....
Address

.....
Occupation

¹ Not to be executed in counterparts.

Schedule 5 – Form of Account Notice and Acknowledgement

Part 1 – Form of notice

To: [Account Bank/other financial institution]

Date: [**]

Dear Sirs,

We give you notice that, by a Debenture dated [**] (the **Debenture**), we have secured in favour of Bank of Montreal as security trustee (the **Security Trustee**) all of our right, title and interest in and to the account[s] listed below maintained with your bank (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby:

Account Name[s]: [**]

Sort Code[s]: [**]

Account No[s]: [**]

[repeat list as necessary]

We irrevocably instruct and authorise you to disclose to the Security Trustee without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to any account[s] maintained with you from time to time as the Security Trustee or Agent may request you to disclose to it.

With effect from the date you receive notice from the Security Trustee that a Notified Event of Default is in existence:

- (a) any existing payment instructions affecting the above account[s] (the **Accounts**) are to be terminated and all payments and communications in respect of such accounts should be made to the Security Trustee or to its order (with a copy to us); and
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from such accounts belong to the Security Trustee.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at:

[Insert Security Trustee's contact details]

Yours faithfully,

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

Part 2 – Form of Acknowledgement

To: Bank of Montreal (the **Security Trustee**)

Date:

Dear Sirs

We confirm receipt from [*Chargor*] (the **Chargor**) of a notice dated [****] in respect of a Debenture dated [****] (the **Debenture**) pursuant to which the **Chargor** has granted to you all the right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following account[s] which [is/are] maintained with us and the debt or debts represented thereby:

[*List relevant accounts here*]

(the **Account[s]**).

We confirm that there are no restrictions on the creation of security over the **Account[s]** in favour of the **Security Trustee** or any third party.

We confirm that we have not received notice of the interest of any third party in [any of] the **Account[s]**.

From the date of this letter until the date upon which we receive a notice from the **Security Trustee** that a Notified Event of Default is in existence, we will continue to act in accordance with the instructions of the **Chargor**. From the date of any notice from the **Security Trustee** that a Notified Event of Default is in existence, we will act only in accordance with the instructions given by persons authorised by the **Security Trustee** and we shall send all statements and other notices given by us relating to the **Account[s]** to the **Security Trustee** with copy to the **Agent** (at the addresses set out in the notice).

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with English law.

Yours faithfully,

.....
for and on behalf of
[*Account Bank*]

cc. [Chargor]

Schedule 6 – Form of Primary Agreement Notice and Acknowledgement

Part 1 – Form of Notice

To: [•]

Date: [•]

Dear Sirs,

We hereby give you notice that we have assigned to [*Security Trustee*] (the **Security Trustee**) pursuant to a debenture entered into by us in favour of the Security Trustee dated [•] all our right, title and interest in and to [*details*] (the **Agreement(s)**) including all monies which may be payable in respect of the Agreement(s).

Subject to the foregoing, you may continue to deal with us in relation to the Agreement until you receive notice from the Security Trustee stating that a Notified Event of Default is in existence. Thereafter, we will cease to have any right to deal with you in relation to the Agreement and you must deal only with the Security Trustee.

We shall continue to be solely responsible for the performance of our obligations under or in connection with the Agreement.

These instructions may not be revoked, nor may the terms of the Agreement be amended, varied, waived or terminated, without the prior written consent of the Security Trustee.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at:

[*Security Trustee*]

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

Yours faithfully

.....
[*Chargor*]

by:

Name:

Title:

Part 2 – (Primary Agreement Acknowledgment)

To: [Administrative Agent]

Date:

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Agreement and that we will comply with the terms of the notice from the [Chargor].

We further confirm that:

- (a) no amendment, waiver or release of any rights, interests and benefits in and to the Agreement shall be effective without your prior written consent;
- (b) no termination of those rights, interests or benefits shall be effective unless we have given you thirty (30) days' written notice of the proposed termination, specifying the action necessary to avoid such termination; and
- (c) we shall immediately notify you if breach or default occurs under the terms of the Agreement.

We hereby acknowledge that the [Chargor] may continue to deal with us in respect of the Agreement, as if the assignment had not been created until we receive notice from you to the contrary upon the occurrence of a Notified Event of Default in existence.

We acknowledge receipt of instructions from you in connection with the assignment of the Agreement and confirm that we shall act in accordance with them until we receive written notification from you to the contrary.

For and on behalf of [name of counterparty]

By:

Dated:

Schedule 7 – Accession deed

This Accession Deed is made on [insert date]

By:

- (1) [insert name of new UK Loan Party] (the **Additional Chargor**);
- (2) [Dollar Financial U.K. Limited] (the **Company**) for itself and as agent for and on behalf of each of the existing Chargors; and
- (3) Bank of Montreal, (the **Security Trustee**).

Background:

This Deed is supplemental to a debenture dated [**] between, among others, the Company, the existing Chargors and the Security Trustee (the **Debenture**).

It is agreed as follows:

- 1 Unless defined in this Accession Deed or the context otherwise requires, a term defined in this Debenture or in any other Loan Document has the same meaning in this Accession Deed or any notice given under or in connection with this Debenture.
- 2 The Additional Chargor hereby agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party thereto as a Chargor. Accordingly, without prejudice to the foregoing, the Additional Chargor hereby:
 - (a) as primary obligor covenants with the Security Trustee that it shall, in accordance with the Credit Agreement, discharge and satisfy the Obligations on demand when the same fall due for payment under the terms of the relevant Loan Documents;
 - (b) subject to Clause 3 below, as continuing security for the payment and discharge of the Obligations, the Additional Chargor charges in favour of the Security Trustee (with full title guarantee provided that no covenant of title implied by the Law of Property (Miscellaneous Provision) Act 1994 shall extend beyond the covenants of title explicitly given by any Chargor in the Credit Agreement) the following assets:
 - (i) by way of first legal mortgage, its Mortgaged Property;
 - (ii) by way of first fixed charge, all of its rights, title and interest from time to time in and to:
 - (A) all its Real Estate to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause (i) above;
 - (B) its Tangible Moveable Property;
 - (C) all of its rights in respect of any amount from time to time standing to the credit of its Bank Accounts;
 - (D) any contract or agreement to which it is a party;

- (E) its Monetary Claims;
 - (F) its Investments together with all Distribution Rights;
 - (G) its Shares together with all Distribution Rights;
 - (H) its Intellectual Property;
 - (I) its interest in and claims under all Primary Agreements and any corresponding proceeds payable to it; and
 - (J) any goodwill, rights and claims in relation to the uncalled capital of that Chargor; and
- (c) subject to Clause 3 below, as further continuing security for the payment and discharge of the Obligations, the Additional Chargor charges with full title guarantee by way of first floating charge in favour of the Security Trustee all of its present and future assets and undertaking.
- 3 Notwithstanding any other provision of this Accession Deed [and/or] any Loan Document to the contrary, the Additional Chargor does not, and shall not be required to, grant security (or any other rights) in favour of the Security Trustee over any Disregarded Asset.
- 4 The Security Trustee hereby requests that the Additional Chargor promptly provides (and, in any event, no later than ten (10) Business Days following the date of this Accession Deed) those notices and documents of title referred to in clause 6 of the Debenture.
- 5 The existing Chargors hereby agree to the terms of this Accession Deed.
- 6 The Additional Chargor irrevocably appoints the Company as its agent for the purpose of executing any future Accession Deed on its behalf pursuant to clause 21.1.2 of the Debenture and sets out below its contact details for notices pursuant to clause 20 (*Notices*) of the Debenture:
- [Contact details]
- 7 The provisions of clauses 16 (*Costs and Expenses*), 20 (*Notices*) and 21.2 (*Governing Law and Enforcement*) of the Debenture shall apply to this Deed *mutatis mutandis*.

This Accession Deed has been executed as, and is intended to take effect as, a deed by the Additional Chargor and has been signed by the Security Trustee on the date written on the first page of this Accession Deed.

Signed as a Deed by [Name of attorney]
as attorney for [Additional chargor]
under a power of attorney dated [Date]

in the presence of:

[Name of attorney] as attorney for
[Additional chargor]
Address:
Fax No:

Name:

Address:

Occupation:

The Security Trustee

Bank of Montreal
as Security Trustee

By:

Name:

Title:

By:

Name:

Title:

SIGNATURE PAGES TO THE DEBENTURE

The Chargers

Signed as a deed by
Dollar Financial U.K. Limited

Director

in the presence of:

Name:

Address:

Title:

Signed as a deed by
Sterling DFC United Kingdom LTD

Director

in the presence of:

Name:

Address:

Title:

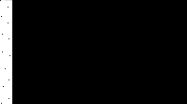
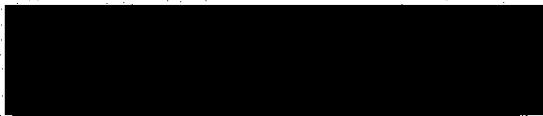
The Security Trustee

Signed as a deed by
Bank of Montreal
as Security Trustee

By: _____



Name: **David Ma**
Director
Title: **Corporate Finance Division**



Graeme Weaver
Managing Director

Title: _____