



**Registration of a Charge**

Company name: **STRADA TRADING LIMITED**

Company number: **09185571**



X90Q35FM

Received for Electronic Filing: **13/03/2020**

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**Details of Charge**

Date of creation: **27/02/2020**

Charge code: **0918 5571 0005**

Persons entitled: **FRIENDS PROVIDENT INTERNATIONAL LIMITED**

Brief description: **TERRITORY: CTM MARK: STRADA REGISTER NUMBER: 1704840  
CLASSES: 29, 32, 33, 42 TERRITORY: UK MARK: STRADA REGISTER  
NUMBER: 2208517 CLASSES: 42**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT  
TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION  
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**FREETHS LLP**



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

Company number: 9185571

Charge code: 0918 5571 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th February 2020 and created by STRADA TRADING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th March 2020 .

Given at Companies House, Cardiff on 16th March 2020

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

**SECURITY AGREEMENT**

dated 27 | 2 | 2020

**BETWEEN**

**STRADA TRADING LIMITED**

**SCP SUGAR LIMITED**

**COPPA CLUB LIMITED**

**as Original Chargors**

**AND**

**THE LENDER AS LISTED IN SCHEDULE 2**

**as Secured Party**

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THIS SECURITY AGREEMENT is dated 27 | 2 | 2020 and is made between:

- (1) **THE COMPANIES** listed in Schedule 1 (*Original Chargors*) as Chargors (each an "**Original Chargor**"); and
- (2) **THE SECURED PARTY** as listed in Schedule 2 (*Original Secured Party*), the "**Secured Party**".

IT IS AGREED as follows:

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

Unless otherwise defined in this Security Agreement or unless the context otherwise requires, terms and expressions defined in or construed for the purposes of the Deep Discounted Bond Instrument or the Strada Loan Agreement shall bear the same meanings when used herein. In addition:

"**Account Bank**" means the bank or financial institution with which a Charged Account is held.

"**Administrator**" means an administrator appointed to manage the affairs, business and property of a Chargor pursuant to this Security Agreement.

"**Business**" means the restaurant business carried out by any Chargor.

"**CCL**" means Coppa Club Limited.

"**Charged Account**" means, in relation to STL and CCL, each of its Specified Charged Accounts and each other account as each of them which the Secured Party shall agree in writing.

"**Charged Property**" means, in relation to a Chargor, all of its undertaking, property, assets, revenues and rights of every description, or any part of them, which from time to time are the subject of the security constituted by this Security Agreement, including (but not limited to) that specified in Schedule 2 (*Charged Property*).

"**Chargor**" means an Original Chargor.

"**Collateral Rights**" means all rights, powers and remedies of the Secured Party provided by or pursuant to this Security Agreement or by law.

"**Deep Discounted Bond Instrument**" means the deep discounted bond instrument dated on or about the date of this Security Agreement made between the Secured Party and STL.

"**Enforcement Trigger**" means either (a) a declaration in accordance with clause 10.2(b) of the Strada Loan Agreement that all or part of the Advances (as defined therein) deemed to have been made together with accrued interest and all other amounts accrued or outstanding under the Strada Loan Agreement be immediately due and payable or (b) having declared in accordance with clause 10.2(c) of the Strada Loan Agreement that all or part of the Advances deemed to have been made be payable on demand, making a demand for payment of such Advances or (c) a notice being served in accordance with clause 7 of the Deep Discounted Bond Instrument that the Bonds shall be redeemed (or any notice being served under any materially equivalent provision in a future deep discounted bond instrument made between the Secured Party and STL after the date of this Security Agreement).

"**Excluded Property**" means, in relation to a Chargor, each of its assets that either precludes absolutely, or requires a consent or waiver of a person (other than a member of the Group or a party to the Strada Loan Agreement) to, the creation of Security over that asset.

**"Finance Document"** means this Security Agreement, the Deep Discounted Bond Instrument and any future deep discounted bond instrument made between the Secured Party and STL after the date of this Security Agreement.

**"Financial Collateral"** has the meaning given to that expression in the Financial Collateral Regulations.

**"Financial Collateral Regulations"** means the Financial Collateral (No. 2) Regulations 2003 (S/2003/3226).

**"Insurance Policy"** means, in relation to STL and CCL, any contract or policy of insurance (including all cover notes) of whatever nature which is from time to time taken out by or on behalf of either of them or (to the extent of their interest) in which either of them has an interest at any time.

**"Investments"** means:

- (a) any stocks, shares, debentures, bonds, notes, securities, certificates of deposit and/or other investments;
- (b) all interests in collective investment schemes; and/or
- (c) all warrants, options and/or other rights to subscribe for or acquire any of the investments described in paragraph (a) or (b) above,

(in each case) whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them.

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

**"Mortgaged Property"** means all real property included in the definition of "Charged Property".

**"Party"** means a party to this Security Agreement.

**"Permitted Security"** means the Security Agreement dated 13 August 2019 and made between the Chargers and Xercise2 Limited, Zeta Shares Limited, TDR Capital Nominees Limited and Anella Limited.

**"Plant and Machinery"** means, in relation to STL and CCL, all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by either of them, including any part of it and all spare parts, replacements, modifications and additions.

**"Receivables"** means, in relation to STL and CCL, all book and other debts of any nature, and all other rights to receive money (excluding bank accounts), now or in the future due, owing or payable to it and the benefit of all related negotiable instruments, rights, Security, guarantees and indemnities of any kind.

**"Receiver"** means any receiver or receiver and manager or administrative receiver (or the holder of any analogous position under the laws of any jurisdiction) of the whole or any part of the Charged Property from time to time, in each case appointed pursuant to this Security Agreement.

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;

- (b) all rights under any licence, agreement for sale, lease or other disposal in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities and/or covenants for title in respect of that asset;
- (d) any moneys and proceeds paid or payable in respect of that asset; and/or
- (e) (in the case of an Investment) all dividends, distributions, interest and monies payable in respect thereof and any rights, assets, shares and/or securities deriving therefrom or accruing thereto whether by way of redemption, bonus, preference, option, substitution, conversion, compensation or otherwise.

**"Relevant Contract"** means any contract or other agreement to which STL or CCL is a party and which the Secured Party has designated in writing as a Relevant Contract.

**"SCP"** means SCP Sugar Limited.

**"Secured Liabilities"** means all present and future obligations and liabilities (whether actual or contingent and whether owed on a joint and several basis, or in any capacity whatsoever) of STL or CCL to the Secured Party under each or any of the Finance Documents, in each case together with:

- (a) all costs, charges and expenses incurred by the Secured Party in connection with the protection, preservation or enforcement of its rights under any Finance Document; and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facility provided under any Finance Document or the obligations and liabilities imposed under such documents.

**"Security Financial Collateral Arrangement"** has the meaning given to that expression in the Financial Collateral Regulations.

**"Security Period"** means the period beginning on the date of this Security Agreement and ending on the date on which:

- (a) all Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) the Secured Party is under no further obligation (whether actual or contingent) to provide any further advance or financial accommodation to any person under any Finance Document.

**"Specified Charged Account"** means, in relation to STL or CCL, each bank account specified in Schedule 3 (*Charged Property*) under the heading **Charged Accounts**.

**"Specified Intellectual Property"** means, in relation to STL or CCL, the Intellectual Property specified in Schedule 3 (*Charged Property*) under the heading **Intellectual Property**.

**"Specified Investments"** means, in relation to a Chargor, the shares (if any) or other investments specified in Schedule 3 (*Charged Property*) under the heading **Investments**.

**"Specified Real Property"** means, in relation to STL or CCL, any real property specified in Schedule 3 (*Charged Property*) under the heading **Real Property**.

**"STL"** means Strada Trading Limited.



"Strada Loan Agreement" means the secured loan agreement dated 13 August 2019 made between Xercise2 Limited, Zeta Shares Limited, TDR Capital Nominees Limited and Anella Limited and STL.

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Security Agreement to:
- (i) any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees;
  - (ii) subject to Clause 23 (*Amendments And Waivers*), a reference to this Security Agreement or to any other document (including any Finance Document) shall include references to this Security Agreement or such other document as varied in any manner from time to time, however fundamentally, even if changes are made to the composition of the parties to this Security Agreement or such other document or to the nature or amount of any facility or other financial accommodation made available under such other document;
  - (iii) words in the singular shall include the plural and in the plural shall include the singular, and a reference to one gender includes a reference to the other genders;
  - (iv) any phrase introduced by the terms "including", "include" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
  - (v) "assets" includes present and future properties, revenues and rights of every description;
  - (vi) "it" means a Chargor and in the context of any Charged Property, "its" means the relevant Charged Property (if any) of that Chargors;
  - (vii) a "person" includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality);
  - (viii) "Secured Liabilities" shall include obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting any member of the Group;
  - (ix) Headings are for convenience only and do not affect the interpretation of this Security Agreement; and
  - (x) any reference to a clause or a schedule is (unless expressly stated otherwise) a reference to a clause of, or schedule to, this Security Agreement.
- (b) Any covenant of any Chargor made pursuant to this Security Agreement (other than a payment obligation) shall remain in force during the Security Period.
- (c) Unless the context otherwise requires, reference to any Charged Property includes the proceeds of sale of that Charged Property.
- (d) Any failure to include reference to any assets of a Chargor, or the inclusion of only incomplete details of those assets, on the date of this Security Agreement in Schedule 3 (*Charged Property*) will not affect any Security over such assets.

- (e) If the Secured Party considers that any amount received in payment or purported payment of the Secured Liabilities is capable of being avoided, reduced or otherwise set aside by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of a Chargor under this Security Agreement and the security constituted by this Security Agreement shall continue and such amount shall not be considered to have been irrevocably paid.
- (f) Each term in any Finance Document is, to the extent not set out in or otherwise incorporated into this Security Agreement, deemed to be incorporated into this Security Agreement insofar as is necessary to comply with Section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 but, except where stated otherwise, if there is any conflict between that incorporated term and any other term of this Security Agreement that other term shall prevail.
- (g) A reference in this Security Agreement to Security over any real property includes:
  - (i) all buildings, fixtures, fittings and fixed plant and machinery on that real property;
  - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that real property or any moneys paid or payable in respect of those covenants; and
  - (iii) in relation to any real property which is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property.
- (h) An Event of Default is "continuing" if it has not been remedied or waived.

### **1.3 Third Party Rights**

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

## **2. PAYMENT OF SECURED LIABILITIES**

### **2.1 Covenant to pay**

Each of STL and CCL (each as primary obligor and not merely as surety) covenants with the Secured Party that it shall, on the Secured Party's written demand, pay or discharge the Secured Liabilities at the times and in the manner provided in the relevant Finance Documents.

### **2.2 Proviso**

The covenants contained in this Clause 2 and the security constituted by this Security Agreement shall not extend to or include any liability or sum which would otherwise cause any such covenant or Security to be unlawful or prohibited by any applicable law (including, without limitation, any applicable financial assistance laws).

### **2.3 Demands**

The making of one demand shall not preclude the Secured Party from making any further demands.

#### **2.4 Interest on demands**

If STL or CCL fails to pay any sum on the due date for payment of that sum, STL or CCL (as appropriate) shall pay interest on such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment of such sum in full by STL or CCL (as appropriate), calculated on a daily basis at the rate determined in accordance with the provisions of clause 5.4 (*Interest*) of the Strada Loan Agreement.

### **3. NATURE OF SECURITY**

#### **3.1 General**

All of the security constituted by this Security Agreement is:

- (a) created in favour of the Secured Party;
- (b) created over present and future assets;
- (c) created by each Chargor as the beneficial owner of its Charged Property; and
- (d) security for the payment and discharge of all the Secured Liabilities.

#### **3.2 Implied covenants for title**

Each mortgage, charge and assignment granted under this Security Agreement is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a), Section 3 and Section 4 of that Act shall extend to each Chargor without, in each case, the benefit of Section 6(2) of that Act.

### **4. CREATION OF SECURITY**

#### **4.1 Legal mortgages**

STL and CCL charges by way of a legal mortgage each of their Specified Real Property and all other estates or interest in any real property now owned by them.

#### **4.2 Fixed Charges**

Subject to clause 4.5 below:

- (a) STL and CCL each charges by way of a fixed charge:
  - (i) (to the extent not subject to a legal mortgage under Clause 4.1 (*Legal mortgages*)) all of their estates or interests in any real property;
  - (ii) their Specified Investments and all of their other Investments;
  - (iii) their Plant and Machinery, any other plant and machinery owned by them and their interest in any plant and machinery in each of their possession;
  - (iv) all of their rights in respect of any amount standing to the credit of any account (including each Specified Charged Account) each of them has with any person and the debt represented by it;

- (v) their Specified Intellectual Property and all of their other Intellectual Property, any copyright or other intellectual property right and any interest (including by way of licence) in any of the foregoing, in each case, whether registered or not and including all applications for the same;
  - (vi) (except to the extent subject to an assignment under this Security Agreement) all of their Receivables;
  - (vii) any beneficial interest, claim or entitlement each of them has in any pension fund;
  - (viii) all of their goodwill;
  - (ix) their rights under any letter of credit issued in their favour or any bill of exchange or other negotiable instrument held by each of them;
  - (x) the benefit of any Authorisation (statutory or otherwise) held by each of them in connection with their use of any Charged Property (and the right to recover and receive compensation which may be payable to it in respect of that Authorisation);
  - (xi) all of their uncalled capital;
  - (xii) all of their Related Rights; and
  - (xiii) all other of their assets set out in Schedule 2 (*Charged Property*).
- (b) SCP charges by way of a fixed charge all shares owned by it (whether now or in the future) in STL and CCL including but not limited to its Specified Investments, but for the avoidance of doubt, gives no charge over any other asset it may own now or in the future.

#### **4.3 Assignments**

Each of STL and CCL assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights, title and interest from time to time in respect of:

- (a) its Insurance Policies and any other sums payable to it pursuant to those policies; and
- (b) its Relevant Contracts.

#### **4.4 Floating Charge**

Each of STL and CCL charges by way of a floating charge all of its assets and undertakings not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause 4, including any assets and undertakings comprised within a charge which is reconverted under Clause 5.5. (Reconversion).

#### **4.5 Excluded Property**

Subject to the remaining sections of this Security Agreement, the security created by Clauses 4.1 (*Legal mortgages*), 4.2 (*Fixed Charges*), and 4.3 (*Assignments*) shall not apply to any Excluded Property unless and until the relevant Chargor obtains any relevant consent or waiver of prohibition to the creation of Security over that Excluded Property.

#### **4.6 Permitted Asset Transfers**

The Chargors' consent shall not be required for the approval of any transfer of assets from STL to CCL or vice-versa.

## **5. FLOATING CHARGE**

### **5.1 Qualifying floating charge**

The provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.4 (*Floating Charge*).

### **5.2 Priority**

Any Security created by the Chargors after the date of this Security Agreement (except in favour of the Secured Party) shall be expressed to be subject to this Security Agreement and shall rank in order of priority behind the charges created by this Security Agreement.

### **5.3 Conversion - by notice**

- (a) The Secured Party may at any time, by notice in writing to STL or CCL, convert any floating charge created by the company on which notice is served pursuant to this Security Agreement into a fixed charge as regards any property or assets specified in that notice if:

- (i) an Event of Default is continuing; or
- (ii) the Secured Party reasonably considers any of the Charged Property to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy,

and upon issue of such notice by the Secured Party to any Chargor in respect of any asset of that Chargor, the floating charge over that asset shall immediately crystallise and become a fixed charge.

- (b) Any notice given by, or on behalf of, the Secured Party under paragraph (a) above in relation to any asset of any Chargor will not be construed as a waiver or abandonment of the Secured Party's rights to give any other notice in respect of any other asset or of any other right of any other Secured Party under this Security Agreement or any other Finance Document.
- (c) For the avoidance of doubt, if for any reason any security constituted by this Security Agreement in respect of any asset created or purported to be created pursuant to Clause 4 (*Creation of Security*) as a mortgage, fixed charge or assignment does not, or ceases to, take effect as a mortgage, fixed charge or assignment, then it shall take effect as a floating charge in respect of that asset. However it is the intent of the Parties that the security constituted by this Security Agreement over all other Charged Property shall remain unaffected.

### **5.4 Conversion - automatic**

Notwithstanding the provisions of Clause 5.3 (*Conversion - by notice*) and without prejudice to any law which may have a similar effect, any floating charge created by this Security Agreement will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to that floating charge if, without the prior written consent of the Secured Party:

- (a) any Chargor creates or attempts to create any Security (other than the Permitted Security or any other security permitted under the terms of this agreement) over any of the Charged Property; or
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
- (c) a petition is presented for the compulsory winding-up of any Chargor; or
- (d) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor; or
- (e) an application is presented or made for a warrant of execution, writ of *feri facias*, garnishee order or charging order in respect of any of the assets of any Chargor; or
- (f) a resolution is passed or an order is made for the winding-up, dissolution, re-organisation or administration of any Chargor or any provisional liquidator, liquidator or administrator is appointed to or in respect of any Chargor; or
- (g) any event occurs under the laws of any jurisdiction having a similar or analogous effect to any of those events referred to in paragraphs (b) to (f) above.

The Parties acknowledge that the Chargors' assets are subject to the existing Permitted Security and the continuance of the Permitted Security shall not cause any breach or event of default under this Security Agreement.

#### **5.5 Reconversion**

Any charge which has crystallised under Clause 5.3 (*Conversion - by notice*) or Clause 5.4 (*Conversion - automatic*) may, by notice in writing given at any time after crystallisation by the Secured Party to the relevant Chargor, be reconverted into a floating charge in relation to the assets specified in such notice.

### **6. EFFECTIVENESS OF SECURITY**

#### **6.1 Continuing Security**

The security constituted by this Security Agreement shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until the Secured Liabilities have been discharged. No part of the security constituted by this Security Agreement will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

#### **6.2 Cumulative rights**

The security constituted by this Security Agreement and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Secured Party may at any time hold for any or all of the Secured Liabilities or any rights, powers and remedies provided by law. No prior security held by the Secured Party over the whole or any part of the Charged Property shall merge into the security constituted by this Security Agreement.

#### **6.3 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made by the Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in

insolvency, liquidation, administration or otherwise, without limitation, then the liability of any Chargor under this Security Agreement will continue or be reinstated as if the discharge, release or arrangement had not occurred.

#### **6.4 Waiver of defences**

None of the obligations of any Chargor under this Security Agreement or the Collateral Rights shall be affected by an act, omission, matter, thing or event which, but for this Clause 6.4 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Security Agreement including (without limitation and whether or not known to it or the Secured Party):

- (a) any time, waiver or consent granted to, or composition with, any Chargor or other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or statement (in each however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities;
- (f) any unenforceability, illegality or invalidity of the security constituted by this Security Agreement or any obligation of any person under any Finance Document or any other document;
- (g) the winding-up, dissolution, reorganisation, death, insolvency, incapacity or bankruptcy of any Chargor or any other person or any change in its status, function, control or ownership;
- (h) this Security Agreement or any other Finance Document not being executed by or binding upon any other party;
- (i) any claims or set-off right that any Chargor may have; or
- (j) any law, regulation or decree or order of any jurisdiction affecting any Chargor.

#### **6.5 Chargers intent**

Without prejudice to the generality of Clause 6.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that its obligations under this Security Agreement (whether or not known to it or the Secured Party) shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### **6.6 No liability**

Neither the Secured Party, nor their nominee(s) nor any Receiver shall be liable by reason of:

- (a) taking any action permitted by this Security Agreement; or
- (b) any neglect or default in connection with all or any part of the Charged Property; or
- (c) taking possession of or realising all or any part of the Charged Property,

except in the case of fraud, gross negligence or willful default upon its part, in each case, as finally judicially determined.

#### **6.7 No prior demand**

The Secured Party shall not be obliged to make any demand of or enforce any rights or claim against any Chargor or any other person, to take any action or obtain judgment in any court against any Chargor or any other person or to make or file any proof or claim in a liquidation, bankruptcy or insolvency of any Chargor or any other person or to enforce or seek to enforce any other security in respect of any or all of the Secured Liabilities before exercising any Collateral Right.

#### **6.8 Deferral of rights**

Unless and until the Secured Party confirms that the Security Period has ended (such confirmation not to be unreasonably withheld), no Chargor will (unless the Secured Party otherwise directs) exercise any rights which it may have by reason of performance by it of its obligations under this Security Agreement:

- (a) to be indemnified by any Chargor;
- (b) to claim any contribution from any guarantor of any Chargor's obligations under any or all of the Finance Documents; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of the Secured Party under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Secured Party.

### **7. REPRESENTATIONS AND WARRANTIES**

#### **7.1 General**

The representations and warranties made by a Chargor in this Security Agreement are made to the Secured Party.

#### **7.2 Security Agreement**

Each Chargor represents and warrants that:

- (a) this Security Agreement creates those security interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation, provisional liquidation or provisional supervision or otherwise; and
- (b) all consents necessary to enable any asset that is expressed to be subject to an effective mortgage, fixed charge, floating charge or, as the case may be, assignment pursuant to Clause 4 (*Creation of Security*) (which excludes, for the avoidance of doubt, any Excluded Property on the basis described in that Clause) have been obtained and are in full force and effect.



### 7.3 Specific representations

Each Chargor represents and warrants that:

- (a) Its Specified Investments and, to the extent applicable, its other Investments, are duly authorised, validly issued, fully called up and fully paid up.
- (b) There are no provisions in the articles of association of the issuing company of its Specified Investments or in any other agreement, which restrict the transfer of its Specified Investments or its ability to enter into this Security Agreement.
- (c) Its Specified Investments are not subject to any rights of first refusal, pre-emption rights, requirements for consent or any rights affecting the voting rights on the disposal of those Specified Investments.
- (d) Its Specified Investments represent the whole of the issued share capital of each relevant issuing company.
- (e) Subject to this Security Agreement, it is the sole legal and beneficial owner of its Investments.

### 7.4 Repetition

- (a) Each of the representations and warranties set out in this Security Agreement is made on the date of this Security Agreement and is deemed to be repeated by each Chargor on each date on which the representations are repeated in the Strada Loan Agreement.
- (b) When a representation or warranty is repeated, it is repeated by reference to the facts and circumstances existing at the date of repetition.

## 8. UNDERTAKINGS

### 8.1 Perfection

To the extent it owns Charged Property of that type, each Chargor undertakes that it will carry out each of the steps set out in Schedule 4 (*Perfection*) in relation to that Charged Property.

### 8.2 Negative pledge

Each Chargor undertakes that it shall not, without the written consent of the Secured Party, at any time during the Security Period:

- (a) create or permit to subsist any Security or Quasi-Security other than the Permitted Security over all or any part of the Charged Property; or
- (b) sell, transfer, lease, licence or otherwise dispose of any Charged Property,

except as expressly permitted pursuant to the terms of the Strada Loan Agreement or the Deep Discounted Bond Instrument.

### **8.3 Preservation of Charged Property**

No Chargor must do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Secured Party, or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this Security Agreement (save as permitted by the Strada Loan Agreement, the Deep Discounted Bond Instrument or this Security Agreement).

### **8.4 Excluded Property**

- (a) In relation to any Excluded Property, each Chargor undertakes to:
  - (i) provide the Secured Party upon written request with information (in reasonable detail) regarding the nature, value and type of the Excluded Property and the consent or waiver that is required to enable that Excluded Property to be subject to a legal mortgage, fixed charge, floating charge or an assignment pursuant to Clause 4 (*Creation of Security*);
  - (ii) unless the Secured Party requires otherwise, use its reasonable endeavours to obtain that consent or waiver; and
  - (iii) promptly on receipt by it of that consent or waiver, provide the Secured Party with a copy of that consent or waiver.
- (b) Immediately on receipt by the relevant Chargor of the relevant consent or waiver, that Excluded Property shall become the subject of a mortgage, charge or assignment (as appropriate) pursuant to Clause 4.1 (*Legal mortgages*), Clause 4.2 (*Fixed Charges*), Clause 4.3 (*Assignments*) or Clause 4.4 (*Floating Charge*).
- (c) If required by the Secured Party, at any time following receipt of the relevant consent or waiver, the relevant Chargor shall, at its own cost, prepare and execute any further documents and take any further action the Secured Party may require, in its absolute discretion, for perfecting the security over that Excluded Property.

### **8.5 Further Assurance**

Each Chargor shall at its own expense from time to time take such action (whether or not requested to do so by the Secured Party or Receiver (acting reasonably)) as is or shall be necessary (including without limitation obtaining and/or effecting all authorisations) for the purpose of:

- (a) the creation, perfection, protection or maintenance of any security constituted by this Security Agreement;
- (b) executing any further document or taking any further action for perfecting any security constituted by this Security Agreement over any Excluded Property once the relevant consent or waiver has been obtained; or
- (c) facilitating the realisation of any Charged Property or the exercise of any right, power or discretion exercisable in accordance with this Security Agreement by the Secured Party or any Receiver or any of its delegates or sub-delegates in respect of any Charged Property.

### **8.6 Specific undertakings**

To the extent it owns Charged Property of that type, each Chargor agrees that it will comply with the undertakings set out in Schedule 4 (*Specific Undertakings*) in respect of that Charged Property.

## **9. ENFORCEMENT OF SECURITY**

### **9.1 When security is enforceable**

The security constituted by this Security Agreement shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Security Agreement, shall be immediately exercisable upon and at any time after the occurrence of an Enforcement Trigger.

### **9.2 Discretion**

After the security constituted by this Security Agreement has become enforceable, the Secured Party may in its absolute discretion enforce all or any part of this Security Agreement in any manner it sees fit.

### **9.3 Enforcement powers**

- (a) For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Security Agreement.
- (b) Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Security Agreement.

### **9.4 Extension of statutory powers of leasing**

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA and by any other statute are extended so as to authorise the Secured Party and any Receiver at any time after the security constituted by this Security Agreement has become enforceable, whether in its own name or that of any Chargor:

- (a) to grant any lease or agreement for lease;
- (b) accept surrenders of leases; and/or
- (c) grant any option on the whole or any part of the Charged Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of any Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on surrender) as it or he shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

### **9.5 Access on enforcement**

- (a) Upon or after the security constituted by this Security Agreement becoming enforceable or if a Chargor defaults in the performance of its obligations under this Security Agreement, the Strada Loan Agreement or the Deep Discounted Bond Instrument, each Chargor will allow the Secured Party, any Receiver or any Delegate, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Charged Property and for that purpose to enter on any premises where Charged Property is situated (or where the Secured Party, any Receiver or any Delegate reasonably believes Charged Property to be situated) without incurring any liability to a Chargors for, or by any reason of, that entry.

- (b) At all times, the relevant Chargor must use its best endeavours to allow the Secured Party, any Receiver or any Delegate access to any premises for the purpose of paragraph (a) above (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

#### **9.6 Prior security**

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise by the Secured Party or any Receiver or Delegate of any power of sale under this Security Agreement or any Collateral Right, the Secured Party may redeem any prior ranking Security over or affecting any Charged Property or procure the transfer of any such prior ranking Security to itself. The Secured Party may settle and agree the accounts of the beneficiary of any such prior ranking Security and any accounts so settled and agreed will be conclusive and binding on the Chargors. All principal, interest, costs, charges, expenses and/or other amounts relating to and/or incidental to any such redemption or transfer shall be paid by the Chargors to the Secured Party upon demand, shall bear interest at the default rate of interest specified in the Strada Loan Agreement and be secured as part of the Secured Liabilities.

#### **9.7 Protection of purchasers**

No purchaser, mortgagee or other person dealing with the Secured Party or any Receiver shall be bound to inquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether the right of the Secured Party or such Receiver to exercise any of its powers has arisen or become exercisable;
- (c) into the propriety or regularity on the part of the Secured Party or such Receiver in such dealings; or
- (d) how any money paid to the Secured Party, any Receiver or any Delegate is to be applied.

#### **9.8 Privileges**

Each Receiver and the Secured Party are entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

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

Neither the Secured Party, any Receiver, any Delegate nor any Administrator shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation of, or for any neglect, default of any nature or omission in connection with, all or any part of the Charged Property to which a mortgagee or a mortgagee in possession might otherwise be liable.

#### **9.10 Conclusive discharge to purchasers**

The receipt of the Secured Party or any Receiver or Delegate (or and of their respective agents) shall be conclusive discharge to a purchaser of any part of the Charged Property or in making any acquisition in the exercise of their respective powers, the Secured Party, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

#### **9.11 Right of Appropriation**

- (a) To the extent that any of the Charged Property constitutes Financial Collateral and this Security Agreement and the obligations of any Chargor under this Security Agreement constitute a Security Financial Collateral Arrangement for the purposes of the Financial Collateral Arrangements, the Secured Party shall have the right, at any time after the security constituted by this Security Agreement has been enforced, to appropriate all or any part of the Financial Collateral in or towards discharge of the Secured Liabilities.
- (b) For the purposes of paragraph (a) above, the Parties agree that the value of the Financial Collateral shall be (in the case of cash) the amount standing to the credit of each bank account of the relevant Chargor, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and (in the case of Investments) the market price of such Investments determined by the Secured Party by reference to a public index or by such other process as the Secured Party may select, including independent valuation. In each case, the Parties agree that the manner of valuation provided for in this Clause 9.11 shall constitute a commercially reasonable manner of valuation for the purposes of the Financial Collateral Regulations.

#### **9.12 No obligation to remain in possession**

If the Secured Party, any Receiver or any Delegate shall take possession of the Charged Property, it may from time to time in its absolute discretion relinquish such possession.

### **10. SECURED PARTY**

#### **10.1 Power to remedy**

- (a) The Secured Party shall be entitled (but shall not be obliged) to remedy, at any time, a breach by a Chargor of any of its obligations contained in this Security Agreement.
- (b) Each Chargor irrevocably authorises the Secured Party and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Secured Party in remedying a breach by a Chargor of its obligations contained in this Security Agreement shall be reimbursed by the relevant Chargor to the Secured Party on a full indemnity basis.
- (d) The rights of the Secured Party under this Clause are without prejudice to any other rights of the Secured Party under this Security Agreement. The exercise of any rights of the Secured Party under this Clause shall not make it liable to account as a mortgagee in possession.

#### **10.2 Secured Party has Receiver's powers**

To the extent permitted by law, any right, power or discretion conferred by this Security Agreement on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Secured Party in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

#### **10.3 New Accounts**

- (a) If the Secured Party receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Charged Property, the Secured Party may open a new account for the relevant Chargor in its books. Without prejudice to the Secured Party's right to combine accounts, no money paid to the credit of the relevant Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

- (b) If the Secured Party does not open a new account immediately on receipt of the notice, or deemed notice, under paragraph (a) above, then, unless the Secured Party gives express written notice to the contrary to the relevant Chargor, all payments made by that Chargor to the Secured Party shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Secured Party.

#### **10.4 Appointment of an Administrator**

- (a) Upon or after the security constituted by this Security Agreement becoming enforceable, the Secured Party may, without notice to a Chargor, appoint any one or more persons to be an Administrator of the relevant Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986.
- (b) Any appointment under paragraph (a) above shall:
  - (i) be in writing signed by a duly authorised signatory of the Secured Party; and
  - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Secured Party may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this Clause 10 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

### **11. RECEIVER**

#### **11.1 Appointment**

Upon or after the security constituted by this Security Agreement becoming enforceable, or if requested to do so by a Chargor, the Secured Party may by deed or otherwise (acting through an authorised officer of the Secured Party) and without prior notice to any Chargor appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Secured Party had become entitled under the LPA to exercise the power of sale conferred under the LPA.

#### **11.2 Removal**

The Secured Party may by writing under hand (or by an application to the court where required by law):

- (a) remove any Receiver appointed by it; and
- (b) appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

#### **11.3 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 11.1 (*Appointment*) 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 any 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 Secured Party; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Secured Party from time to time in accordance with Clause 11.4 (*Remuneration of Receiver*).

#### **11.4 Remuneration of Receiver**

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

#### **11.5 Statutory powers of appointment**

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

### **12. POWERS OF RECEIVER**

#### **12.1 General**

- (a) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Security Agreement individually and to the exclusion of any other Receiver.
- (b) Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred by law.
- (c) Without prejudice to the generality of this Clause 12, each Receiver shall have all the rights, powers and discretions of an administrative receiver under Schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

#### **12.2 Powers of Receiver**

Subject to Clause 12.3 (*Limitations and restrictions*), every Receiver shall have and be entitled to exercise, in relation to the Charged Property or that thereof in respect of which he was appointed, and as varied and extended by the provisions of this Security Agreement (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of the relevant Chargor:

- (a) 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;
- (b) the power to do all things (including without limitation bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of any Collateral Rights (including without limitation realisation of all or any part of the Charged Property) or (c) bringing to his hands any assets of the Chargor forming, or which when got in would be, part of the Charged Property; and
- (c) in addition to and without prejudice to the generality of the foregoing, the powers set out in Schedule 6 (*Additional Powers of a Receiver*).

#### **12.3 Limitations and restrictions**

- (a) All powers of a Receiver set out in Clause 12.2 (*Powers of Receiver*) shall be subject to any limitations or restrictions expressed in the instrument appointing that Receiver but shall remain valid notwithstanding any winding-up or dissolution of any Chargor.



- (b) Each reference in Clause 12.2 (*Powers of Receiver*) and Schedule 6 (*Additional Powers of a Receiver*) to the "Charged Property" shall be read as a reference to that part of the Charged Property in respect of which a particular Receiver has been appointed.

#### **12.4 Terms of disposition**

In making any sale or other disposal of all or any part of the Charged Property or any acquisition in the exercise of their respective powers (including without limitation a disposal by a Receiver to any Subsidiary of any Chargor or other body corporate as is referred to in paragraph 6 of Schedule 6 (*Additional Powers of a Receiver*)) a Receiver or the Secured Party may accept or dispose of as, and by way of consideration for, such sale or other disposal or acquisition, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may, if thought expedient by the Receiver or the Secured Party, be nil or may be payable or receivable in a lump sum or by instalments. Any contract for any such sale, disposal or acquisition by the Receiver or the Secured Party may contain conditions excluding or restricting the personal liability of the Receiver or the Secured Party.

### **13. DISCRETION AND DELEGATION**

#### **13.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Security Agreement by the Secured Party or any Receiver may, subject to the terms and conditions of the Finance Documents, be exercised or made in its absolute and unfettered discretion without (unless expressly stated otherwise) any obligation to give reasons.

#### **13.2 Delegation**

The Secured Party and any Receiver shall have full power to delegate to such persons as the Secured Party or any Receiver (each acting reasonably) consider appropriate (either generally or specifically) the powers, authorities and discretions conferred on it by this Security Agreement (including without limitation the power of attorney under Clause 16 (*Power of Attorney*)) on such terms and conditions as it shall see fit which delegation shall not preclude any subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Secured Party or any Receiver. Neither the Secured Party nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

### **14. APPLICATION OF PROCEEDS**

#### **14.1 Order of application**

- (a) Save as otherwise expressly provided in this Security Agreement, all moneys received or recovered by the Secured Party or any Receiver pursuant to this Security Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and subject to Clause 14.2 (*Suspense account*)), and by way of variation of the provisions of the LPA) be applied:
- (i) firstly, in or towards the costs and expenses incurred by the Secured Party or any Receiver pursuant to the terms of this Security Agreement;
  - (ii) secondly, in or towards satisfaction of the Secured Liabilities in the manner applicable under the terms of the Deep Discounted Bond Instrument; and
  - (iii) as to the surplus (if any), to the person or persons entitled to it.

- (b) This Clause 14 does not prejudice the right of the Secured Party to recover any shortfall from the Chargors.

**14.2 Suspense account**

All monies received, recovered or realised under this Security Agreement by the Secured Party or any Receiver or the powers conferred by it (including the proceeds of any conversion of currency) may in its discretion be credited to and held in any suspense or impersonal account pending their application from time to time in or towards the discharge of any of the Secured Liabilities in accordance with Clause 14.1 (*Order of application*).

**14.3 Application by Chargors**

Any application under this Clause 14 shall override any application by any Chargor.

**15. COSTS, EXPENSES AND INDEMNITIES**

**15.1 Enforcement costs**

Each Chargor will, within ten Business Days of the Secured Party's written demand from time to time, reimburse the Secured Party on a full indemnity basis for all costs and expenses (including legal fees), together with any applicable Tax thereon, incurred by the Secured Party in connection with:

- (a) the enforcement of the security constituted by this Security Agreement;
- (b) the exercise of any Collateral Right; and/or
- (c) any proceedings instituted by or against the Secured Party,

together with interest from the date such costs and expenses were incurred to the date of reimbursement of the same by the relevant Chargor, calculated in accordance with the provisions of the Strada Loan Agreement.

**15.2 Indemnity**

Each Chargor will also, notwithstanding any release or discharge of all or any part of the security constituted by this Security Agreement, within ten Business Days of the Secured Party's written demand from time to time, reimburse or pay to the Secured Party, their employees or agents, and any nominee on demand (each, an "**Indemnified Party**"), on the basis of a full indemnity, the amount of all liabilities incurred by any Indemnified Party in connection with:

- (a) any default or delay by such Chargor in the performance of any of its obligations under this Security Agreement;
- (b) the exercise, or the attempted or purported exercise, by or on behalf of the Secured Party or its powers or any other action taken by or on behalf of the Secured Party with a view to or in connection with the recovery of the Secured Liabilities, the enforcement of the security constituted by this Security Agreement or for any other purpose contemplated by this Security Agreement; and
- (c) the carrying out or consideration of any other act or matter which the Secured Party may consider to be conducive after the occurrence of an Enforcement Trigger to the preservation, improvement or benefit of any Charged Property,

except in the case of gross negligence or willful default on the part of such Indemnified Party (as finally judicially determined).

## **16. POWER OF ATTORNEY**

### **16.1 Appointment and powers**

Each Chargor, by way of security and to more fully secure the performance of its obligations under this Security Agreement, hereby irrevocably appoints the Secured Party (whether or not a Receiver has been appointed) and separately any nominee and/or any Receiver to be their attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to:

- (a) do anything which that Chargor is obliged to do (but has not done) in accordance with this Security Agreement, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) enable the Secured Party or any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Security Agreement or by statute in relation to this Security Agreement or the Charged Property.

### **16.2 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.

## **17. RELEASE OF SECURITY**

In relation to the Charged Property:

- (a) when the Secured Party confirms that the Security Period has ended; or
- (b) if any assets which are subject to Security are permitted to be released in accordance with the terms of the Deep Discounted Bond Instrument,

the Secured Party shall, at the request (with reasonable notice) and cost of the Chargors, release and cancel the relevant security constituted by this Security Agreement and procure the retransfer or reassignment to the relevant Chargor of the relevant property and assets assigned to the Secured Party pursuant to this Security Agreement (to the extent not otherwise sold, assigned or otherwise disposed of or applied in accordance with this Security Agreement), in each case without recourse to, or any representation or warranty by, the Secured Party or any of its nominees.

## **18. CHANGES TO THE PARTIES**

### **18.1 Successors**

- (a) This Security Agreement shall be binding upon and enure to the benefit of each Party and its and/or any subsequent successors and permitted assigns and transferees.
- (b) Without prejudice to paragraph (a) above, this Security Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Secured Party and references to the Secured Party herein shall be deemed to include any person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Secured Party under this Security Agreement or to which, under such laws, those rights and obligations have been transferred.

### **18.2 No assignment or transfer by a Chargor**

No Chargor may assign or transfer any or all of its rights (if any) and/or obligations under this Security Agreement.

### **18.3 Assignment and transfer by the Secured Party to successor**

- (a) The Secured Party may:
  - (i) assign all or any of its rights under this Security Agreement; and
  - (ii) transfer all or any of its obligations (if any) under this Security Agreement,to any assignee or transferee of its rights under the Deep Discounted Bond Instrument in accordance with the provisions of clause 10 (*Transferability*) of the Deep Discounted Bond Instrument.
- (b) Each Chargor irrevocably and unconditionally confirms that:
  - (i) it consents to any assignment or transfer by the Secured Party of its rights and/or obligations made in accordance with the provisions of the Deep Discounted Bond Instrument;
  - (ii) it shall continue to be bound by the terms of this Security Agreement, notwithstanding any such assignment or transfer; and
  - (iii) the assignee or transferee of such Secured Party shall acquire an interest in this Security Agreement upon such assignment or transfer taking effect.
- (c) Upon such assignment and transfer taking effect, the successor of the Secured Party shall be deemed to be the Secured Party in all respects for the purposes of this Security Agreement.

## **19. SET-OFF**

The Secured Party may set off any matured obligation due from any Chargor under any or all of the Finance Documents (to the extent beneficially owned by the Secured Party) against any matured obligation owed by the Secured Party to any Chargor, regardless of the place of payment, booking branch or currency of either obligation. If such obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of such set-off.

## **20. NOTICES**

Communications under this Security Agreement shall be made in accordance with clause 15 (*Notices*) of the Strada Loan Agreement. For these purposes, the Secured Party's notice details are:

Address: Friends Provident International Limited, Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA

Attention: The directors and the company secretary

### **20.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Security Agreement, the entries made in the accounts maintained by the Secured Party are prima facie evidence of the matters to which they relate.

### **20.2 Certificates and determinations**

Any certification or determination by the Secured Party of a rate or amount under this Security Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### **20.3 Day count convention**

Any interest, commission or fee accruing under this Security Agreement will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the relevant interbank market differs, in accordance with that market practice.

## **21. PARTIAL INVALIDITY**

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

## **22. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right or remedy under this Security Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Security Agreement. No election to affirm this Security Agreement on the part of the Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Security Agreement are cumulative and not exclusive of any rights or remedies provided by law.

## **23. AMENDMENTS AND WAIVERS**

No amendment, waiver or consent of, or in relation to, this Security Agreement shall be valid and constitute part of this Security Agreement unless such variation has been made in writing and signed by each party hereto.

## **24. COUNTERPARTS**

### **24.1 Counterparts**

This Security Agreement 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 Security Agreement.

#### **24.2 Non-signatories**

Failure by one or more Parties ("Non-Signatories") to execute this Security Agreement on the date hereof will not invalidate the provisions of this Security Agreement as between the other Parties who do execute this Security Agreement. Such Non-Signatories may execute this Security Agreement (or a counterpart thereof) on a future date and will thereupon become bound by its provisions.

#### **25. GOVERNING LAW**

This Security Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, construed and take effect in accordance with English law.

#### **26. ENFORCEMENT**

##### **26.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of, or in connection with this Security Agreement (including any dispute relating to the existence, validity or termination of this Security Agreement) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 26.1 is for the benefit of the Secured Party only. As a result, the Secured Party is not prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Party may take concurrent proceedings in any number of jurisdictions.

##### **26.2 Waiver of immunities**

Any Chargor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

**IN WITNESS WHEREOF** this Security Agreement has been signed on behalf of the Secured Party and executed as a deed by each of the Chargors and is intended to be and is hereby delivered by it as a deed on the date specified above.

**SCHEDULE 1  
ORIGINAL CHARGORS**

<b>Name</b>	<b>Registered No.</b>	<b>Jurisdiction of Incorporation</b>	<b>Address / Fax Number</b>
<b>SCP SUGAR LIMITED</b>	09171235	England and Wales	12 Great Portland Street, 2nd Floor, London, England, W1W 8QN
<b>STRADA TRADING LIMITED</b>	09185571	England and Wales	12 Great Portland Street, 2nd Floor, London, England, W1W 8QN
<b>COPPA CLUB LIMITED</b>	09446267	England and Wales	12 Great Portland Street, 2nd Floor, London, England, W1W 8QN

**SCHEDULE 2  
ORIGINAL SECURED PARTY**

<b>Name</b>	<b>Registered No.</b>	<b>Jurisdiction of Incorporation</b>	<b>Address</b>
Friends Provident International Limited	011494C	Isle of Man	Friends Provident International Limited, Royal Court, Castletown, Isle of Man, British Isles IM9 1RA



### SCHEDULE 3 CHARGED PROPERTY

Capitalised terms used but not defined in this Schedule 3 shall have the meaning given to those terms in the Asset Sale Agreement.

#### (a) Intellectual Property

Any of the following which are used or exploited exclusively in connection with the Business: patents, the UK/EU Trade Marks, registered or unregistered trade marks, design rights, trade names, service names, business names, copyrights, rights in the nature of copyright, moral rights, database rights (including the Customer Lists and Databases), the Sellers' Domain Name, the Goodwill, the Know-how, rights protecting reputation and goodwill, rights in unfair competition and all other intellectual property rights and analogous rights as may exist anywhere in the world for the full term of the rights concerned together with all reversions, revivals, extensions and renewals of such rights and whether registered or not; all registrations and pending registrations relating to any such rights, the benefit of any pending applications for any such registrations and the right to apply for registrations of such rights; and all rights of action, powers or benefits belonging or accrued in relation to such rights (including the right to sue for and recover damages for past infringements).

The UK/EU Trade Marks are:

TERRITORY	MARK	CLASSES	NO.	SPECIFICATION OF GOODS/SERVICES
CTM	STRADA	29, 32, 33, 42	1704840	<p><b>29</b> Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.</p> <p><b>32</b> Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p> <p><b>33</b> Alcoholic beverages (except beers).</p> <p><b>42</b> Provision of food and drink; restaurant, bar, bistro and cafe services; catering services; design services for the restaurant trade; information, consultancy and advisory services relating to all the aforesaid.</p>
UK	STRADA	42	2208517	<b>42</b> Restaurant and bar services, catering services.

#### (b) Stock

The materials of all kinds of STL and CCL for the use, resale or supply in the ordinary course of the Business situate on the Premises other than the Excluded Assets including but not limited to, all (i) wine, beer, alcoholic spirits, soft drinks including bottled water, coffee, tea and juices, (ii) all stocks of food for

resale, (iii) bathroom stocks, (iv) all stocks of fuel, light bulbs, disposable food containers, printing consumables and postage.

**(c) Commercial Records**

All commercial written information used in the Business in relation to the Assets and in the possession of STL and CCL but excluding the Retained Papers.

**(d) Loose Equipment and Furniture**

All equipment and furniture of STL and CCL situated at the Premises and used in the Business or held by third parties on behalf of STL and CCL including but not limited to STL's and CCL's furniture (including tables and chairs), linen, glassware, cookers, ovens, fridges, freezers, cooking utensils and display cabinets.

**(e) Goodwill**

The goodwill of the Business and the right (insofar as STL or CCL has the right to grant the same) to use and prevent third parties from using the business names, the UK/EU Trade Marks, and any other trade names, logos, marks or signs used in connection with the Business.

**(f) Smallwares, IT & Systems**

The computer hardware and software which is used exclusively in the Business, namely, the electronic point of sale for each site including any back of house servers, kitchen printers, terminals and other peripherals, the back of house computers, laptops, screens, and keyboards for each site (including that used for el box learning), site peripherals including printers, scanners and faxes, site telecoms including phone systems, routers and head office equipment including laptops, personal computers, local printers, scanners, screens, keyboards and other peripherals.

**(g) Real Property**

None as at the date of this Security Agreement.

**(h) Investments**

The 2 issued ordinary shares of £1 in STL and the 1 issued ordinary share of £1 in CCL registered in the name of SCP Sugar Limited.

**(i) Charged Account**

The bank account in the name of STL held with [REDACTED]  
with account number [REDACTED]

## SCHEDULE 4 PERFECTION

### Mortgaged Property

1. In relation to any Mortgaged Property registered or required to be registered at HM Land Registry, it consents, for the purposes of panel 8 of each Form RX1 that may be required to be completed by the Secured Party, to an application being made by the Secured Party to the Chief Land Registrar to enter the following restriction in Form P against its title to such 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".*

2. It must deposit with the Secured Party (unless already held by its solicitors on behalf of and to the Secured Party's order or at HM Land Registry for the purpose of registration of the security constituted by this Security Agreement, or held by the Secured Party of the Permitted Security) all deeds, certificates and other documents of title from time to time relating to its Mortgaged Property.

### Insurance Policies

3. Following an enforcement of the Security and at the request of the Secured Party, it must execute a notice of assignment in respect of the security over its Insurance Policies and their proceeds created by this Security Agreement substantially in the form set out in Schedule 8 (*Form of Notice of Assignment*) and immediately deliver the notice to the relevant insurers and any relevant broker.
4. It must use all reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Secured Party of an acknowledgement by the addressees of the notices described in the paragraphs above in the form attached to the relevant notice.

### Charged Accounts

5. It must, immediately after the date of this Security Agreement, execute a notice in respect of the security over its Specified Charged Accounts substantially in the form set out in Schedule 7 (*Form of Notice to Account Banks*) and promptly deliver the notice to the relevant Account Bank.
6. It must, on each date on which it opens a new Charged Account after the date of this Security Agreement, execute a notice of assignment in respect of the security over that Charged Account substantially in the form set out in Schedule 7 (*Form of Notice to Account Banks*) and immediately deliver the notice to the relevant Account Bank.
7. It must use all reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Secured Party of an acknowledgement by the relevant Account Bank of the notices described in the paragraphs above in the form attached to the relevant notice.

### Relevant Contracts

8. Following an enforcement of the Security and at the request of the Secured Party, it must execute a notice in respect of the security over its Relevant Contracts substantially in the form set out in Schedule 8 (*Form of Notice of Assignment*) and immediately deliver the notice to each relevant counterparty to that Relevant Contract.
9. It must use all reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Secured Party of an acknowledgement by each relevant counterparty of the notices described in the paragraphs above in the form attached to the relevant notice.

### Investments

10. It must, in respect of its Investments which are in certificated form, promptly after the date of this Security Agreement,
  - (a) deposit with the Secured Party (or as they may direct) all stock and share certificates and other documents of title or evidence of ownership from time to time relating to those Investments; and
  - (b) execute and deliver to the Secured Party all share transfers and other documents as the Secured Party may from time to time reasonably request in order to enable the Secured Party (or their nominee(s)) to be registered as the owner or otherwise obtain a legal title to, or to perfect its security interest in, those Investments, to the intent that the Secured Party may at any time without notice complete and present such transfers and documents for registration.
11. For the purposes of paragraph 10 above, the expressions "certificated", "instruction", "Operator", "relevant system" and "uncertificated" shall have the meanings given to those terms in the Uncertificated Securities Regulations 2001.

### Intellectual Property

12. If requested to do so by the Secured Party, make entries in any public register of its Intellectual Property which either record the existence of this Security Agreement or the restrictions on disposal imposed by this Security Agreement.

## **SCHEDULE 5**

### **SPECIFIC UNDERTAKINGS**

#### **Mortgaged Property**

##### **1. Registration**

Whether or not the title to any of its Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against its title to any Mortgaged Property, it must within 10 Business Days of request provide the Secured Party with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Security Agreement, it must as soon as reasonably practicable and at its own expense take such steps as the Secured Party may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

##### **2. Acquisitions**

(a) Subject to paragraph 2(b) below, if it acquires any real property after the date of this Security Agreement (including, but not limited to, any Premises under the terms of and as defined in the Asset Sale Agreement) it must, as soon as is reasonably practicable:

- (i) notify the Secured Party;
- (i) upon request by the Secured Party, and at its cost, execute and deliver to the Secured Party a legal charge in favour of the Secured Party in respect of that property in any form which the Secured Party may require; and
- (ii) upon completion of such acquisition, give HM Land Registry written notice of this Security Agreement.

(b) The Security created pursuant to this paragraph 2 shall not apply to Excluded Property unless and until any relevant consent or waiver of prohibition on the creation of Security over that Excluded Property is obtained. It must use its reasonable endeavours to obtain any such consent or waiver required.

##### **3. Compliance with applicable laws and regulations**

It must perform all its obligations under any law or regulation in any way related to or affecting its Mortgaged Property.

##### **4. Notices**

It must, within 20 days after receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged Property which will materially or adversely affect the interests of the Secured Party under this Security Agreement or the validity or enforceability of the security constituted by this Security Agreement:

- (a) deliver a copy to the Secured Party; and
- (b) inform the Secured Party of the steps taken or proposed to be taken to comply with the relevant requirement.

**5. Access**

Following an Event of Default it must permit the Secured Party and any person nominated by it at all reasonable times to enter any part of its Mortgaged Property and view the state of it.

**6. Investigation of title**

Following an Event of Default it must grant the Secured Party or its lawyers on request all facilities within its power to enable the Secured Party or its lawyers (at its expense) to:

- (a) carry out investigations of title to its Mortgaged Property; and
- (b) make such enquiries in relation to any part of its Mortgaged Property as a prudent mortgagee might carry out.

**7. Power to remedy**

- (a) If it fails to perform any term affecting its Mortgaged Property, it must allow the Secured Party or its agents and contractors, after they have given reasonable notice, (i) to enter any part of its Mortgaged Property, (ii) to comply with or object to any notice served on it in respect of its Mortgaged Property and to take any action as the Secured Party may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.
- (b) It must, promptly on request by the Secured Party, pay the costs and expenses of the Secured Party or its agents and contractors incurred in connection with any action taken under paragraph (a) above.

**Investments**

**8. Changes to rights**

It must not take or allow the taking of any action on its behalf which it anticipates (acting reasonably), will result in the rights attaching to any of its Investments being altered in a manner adverse to the interests of the Secured Party.

**9. Calls**

It must pay all calls or other payments due and payable in respect of any of its Investments. If it fails to do so, the Secured Party may pay the calls or other payments on its behalf. It must promptly on request reimburse the Secured Party for any payment made by the Secured Party under this paragraph.

**10. Voting rights**

- (a) Subject to paragraph (b) below, it shall, for so long as it remains the beneficial owner of any Investments, be permitted to determine how all voting powers and rights attaching to those Investments are to be exercised, provided that it must not exercise any voting powers and rights in a way or in a manner which it anticipates (acting reasonably), will jeopardise the value of the Investments, the validity or enforceability of the security created under this Security Agreement or the interests of the Secured Party under this Security Agreement.
- (b) If the security constituted by this Security Agreement has been enforced:

- (i) it (or, where applicable, its nominees) must not exercise any voting rights attached to any Investment without the prior written consent of the Secured Party, which consent may be withheld in the absolute discretion of the Secured Party;
- (ii) the Secured Party may exercise (but is not obliged to exercise), in its name or otherwise and without any further consent or authority on its part, all voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any of its Investments, any person who is the holder of that Investment or otherwise;
- (iii) all Related Rights must, if received by it or any of its nominees, be held on trust for and forthwith paid or transferred to the Secured Party;
- (iv) it must (and must procure that its nominees will) accept short notice for and attend any shareholders meetings relating to its Investments, appoint proxies and exercise voting and other rights and powers exercisable by the holders of its Investments as the Secured Party may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Liabilities; and

#### **11. Dividends**

- (a) Subject to paragraph (b) below, all cash dividends or other income paid or payable in relation to any of its Investments may be paid (to the extent permitted by the Finance Documents) directly to it.
- (b) If the security constituted by this Security Agreement has been enforced, all cash dividends or other income paid or payable after such enforcement in relation to any of its Investments must be paid to the Secured Party.

#### **12. Clearance systems**

Following an Enforcement Trigger it must, if so requested by the Secured Party, instruct any clearance system to transfer any Investment held by that clearance system for it or its nominee to an account of the Secured Party, an Account Bank (or a nominee as directed by them) with that clearance system.

#### **13. Other obligations in respect of Investments**

The Secured Party is not obliged to (i) perform any of its obligation, (ii) make any payment, or make any enquiry as to the nature or sufficiency of any payment received by it or the Secured Party or (iii) present or file any claim or take any other action to collect or enforce the payment of any amount to which they may be entitled under this Security Agreement, in each case, in respect of any of its Investments.

#### **Intellectual Property**

#### **14. Preservation**

It must:

- (a) make such registrations and pay such fees, registration taxes and similar amounts as are necessary to keep its Intellectual Property in force; and
- (b) take all other steps which are reasonably practicable to maintain and preserve its interests in its Intellectual Property,

to the extent that having such Intellectual Property is required to conduct the Business of the Group and where failure to do so would reasonably be expected to have a material adverse effect on the validity or enforcement of the security or the interests of the Secured Party under this Security Agreement.

**15. No infringement by third parties**

It must take such steps as are reasonably required (including the institution of legal proceedings) to prevent third parties infringing its Intellectual Property.

**16. No cancellation, lapse etc.**

It must ensure that, except with the prior consent of the Secured Party, none of its Intellectual Property is abandoned or cancelled, lapses or is liable to any claim of abandonment for non-use or otherwise, except to the extent that such Intellectual Property is no longer required to conduct the Business of the Group and the abandonment, cancellation, lapse or otherwise of the Intellectual Property would not reasonably be expected to have a material adverse effect on the validity or enforcement of the security or the interests of the Secured Party under this Security Agreement.

**Charged Accounts**

**17. Withdrawals and transfers**

- (a) Before the security constituted by this Security Agreement becomes enforceable, it shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account, subject to the terms of the other Finance Documents.
- (b) After the security constituted by this Security Agreement has been enforced, it shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account, except with the prior written consent of the Secured Party.

**18. No derogation**

Other than to the extent permitted under the Strada Loan Agreement or the Deep Discounted Bond Instrument, it shall not purport, without the Secured Party's prior written consent, to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery.

**Relevant Contracts**

**19. Amendments and waivers**

It must not:

- (a) amend or waive any term of, or terminate, any of its Relevant Contracts to the extent such amendment, waiver or termination could have a material adverse effect on the validity or enforcement of the Security or the interests of the Secured Party under this Security Agreement; or
- (b) take any action which might jeopardise the existence or enforceability of any of its Relevant Contracts.



## **SCHEDULE 6**

### **ADDITIONAL POWERS OF A RECEIVER**

**1. Take possession**

Power to enter upon, take immediate possession of, collect and get in the Charged Property including without limitation rents and other income whether accrued before or after the date of his appointment and for that purpose to make, or to require the directors of any Chargor to make, calls conditionally or unconditionally upon the holders of that Chargor's share capital in respect of any such capital of that Chargor which remains uncalled and to enforce payment of calls so made and any previous unpaid calls by taking proceedings in the name of that Chargor or in his own name.

**2. Proceedings and claims**

Power to bring, prosecute, enforce, defend and abandon applications, claims, disputes, actions, suits and proceedings in connection with the business of any Chargor or all or any part of the Charged Property or this Security Agreement in the name of that Chargor or in his own name and to submit to arbitration, negotiate, compromise and settle any such applications, claims, disputes, actions, suits or proceedings.

**3. Carry on business**

Power to carry on and manage, or concur in the carrying on and management of or to appoint a manager of, the whole or any part of any Chargor's business in such manner as he shall in his absolute discretion think fit including without limitation the power to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract to which any Chargor is a party and power to supervise, control and finance any Subsidiary of any Chargor or any other body corporate (including without limitation any referred to in paragraph 6 below) and its business and the conduct thereof and to change the situation of the registered office of any Chargor or any such subsidiary or other body corporate.

**4. Deal with Charged Property**

In relation to the Charged Property and each and every part thereof, to sell, transfer, convey or otherwise dispose (in each case with or without consideration) or concur in any of the foregoing by any Chargor or any other receiver or manager of any Chargor (including without limitation to or in relation to the Secured Party) in such manner and generally on such terms as he thinks fit.

**5. Acquisitions**

Power to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary or desirable for the carrying on, improvement or realisation of the whole or any part of the Charged Property or the business of any Chargor or otherwise for the benefit of the whole or any part of the Charged Property.

**6. New Subsidiary**

Power to promote, procure the formation or otherwise acquire the share capital of, any body corporate with a view to such body corporate becoming a Subsidiary of any Chargor or otherwise and purchasing, leasing or otherwise acquiring an interest in the whole or any part of the Charged Property or carrying on any business in succession to any Chargor or any Subsidiary of any Chargor.

**7. Insurance**

Power to effect, maintain or renew indemnity and other insurances and to obtain bonds and performance guarantees.

**8. Employment**

Power to employ, engage, dismiss or vary the terms of employment or engagement of such employees, workmen, servants, officers, managers, agents and advisers on such terms as to remuneration and otherwise as he shall think fit including without limitation power to engage his own firm in the conduct of the receivership.

**9. Borrowing**

Power to raise or borrow money from the Secured Party or any other person to rank either in priority to the security constituted by this Security Agreement or any part of it or otherwise and with or without a mortgage or charge on the Charged Property or any part of it on such terms as he shall in his absolute discretion think fit (and no person lending such money shall be concerned to see or enquire as to the propriety or purpose of the exercise of such power or the application of money so raised or borrowed).

**10. Redemption of Security**

Power to redeem, discharge or compromise any security whether or not having priority to the security constituted by this Security Agreement or any part of it.

**11. Covenants, guarantees and indemnities**

Power to enter into bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he shall think fit, to make all payments needed to effect, maintain or satisfy such obligations or liabilities and to use the company seal of any Chargor.

**12. Exercise of powers in name of Chargors**

Power to exercise any or all of the above powers on behalf of and in the name of any Chargor (notwithstanding any winding-up or dissolution of any Chargor) or on his own behalf.

**SCHEDULE 7**  
**FORM OF NOTICE TO ACCOUNT BANKS**

To: [insert name of Account Bank and address and attention details, if available]

Date: [date]

Dear Sirs

**NOTICE OF CHARGE OF ACCOUNT**

1. We refer to the security agreement dated [date] (the "Security Agreement") between, among others, [insert name of relevant Chargor] as Chargors and [insert name of Secured Party] (the "Secured Party").
2. This letter constitutes notice to you that, pursuant to the Security Agreement, we have charged (by way of first fixed charge) to the Secured Party all of our rights, title and interest in and to each of the accounts maintained with you listed below (including any replacement, renewal or re-designation thereof) and all monies [and/or assets] standing to the credit of such accounts from time to time (the "Charged Accounts"):

Account Name	Account Number

3. We shall continue to be solely responsible for the performance of our obligations in respect of any or all of the Charged Accounts and any documentation which we have entered into in relation to any or all of the Charged Accounts.
4. With effect from the date of your receipt of this notice, the terms and conditions of any or all of the Charged Accounts (and our rights relating thereto) may not be varied or waived without the consent of the Secured Party.
5. With effect from the time when you receive a notice from the Secured Party to the effect that the security created by the Security Agreement has become enforceable (an "Enforcement Notice"):
  - (a) any existing instructions affecting any or all of the Charged Accounts are to be terminated and all communications in respect of any or all of the Charged Accounts should be made, or sent, to the Secured Party or as it shall direct; and
  - (b) all rights, interests and benefits whatsoever accruing to or for the benefit of any Chargor arising from any or all of the Charged Accounts belong to the Secured Party.
6. We hereby irrevocably authorise and instruct you, with effect from your receipt of an Enforcement Notice from the Secured Party:
  - (a) to hold all sums [and assets] from time to time standing to the credit of the Charged Accounts to the order of the Secured Party;
  - (b) to pay, transfer or release all or part of the sums [and/or assets] from time to time standing to the credit of the Charged Accounts in accordance with (and only in accordance with) the written instructions of the Secured Party at any time or times (without further reference to ourselves);
  - (c) to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums [and/or the assets] standing to the credit of the Charged Accounts from time to time or the debts represented thereby which

you receive at any time from the Secured Party without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and

- (d) not to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums [and/or the assets] standing to the credit of the Charged Accounts from time to time or the debts represented thereby which you receive from any other person (including ourselves) other than the Secured Party.
- 7. We also hereby irrevocably authorise and instruct you to disclose to the Secured Party without any reference to or further authority from ourselves and without any enquiry by you as to the justification of such disclosure, such information relating to any or all of the Charged Accounts and the sums [and/or assets] therein as the Secured Party may at any time and from time to time request.
  - 8. By signing the acknowledgement on the copy of this notice you undertake that:
    - (a) you will not exercise any right of combination, consolidation or set-off which you may have in respect of any of the Charged Accounts; and
    - (b) you will not amend or vary any rights attaching to (or agree to amend or vary rights attaching to) any of the Charged Accounts.
  - 9. Neither this notice nor any of the instructions herein may be revoked or varied without the prior written consent of the Secured Party.
  - 10. Please acknowledge receipt of this notice and your agreement to the terms hereof by signing the acknowledgement on the copy of this notice and returning to the Secured Party at [insert address] marked for the attention of [insert name of contact].
  - 11. This notice and/or the acknowledgement hereto may be executed in any number of counterparts, and this has the same effect as if signatures on such counterparts were on a single copy of this letter and the acknowledgement hereto.
  - 12. This notice and any non-contractual obligations arising out of or in connection with it shall be governed by, construed and take effect in accordance with English law.

Yours faithfully

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

[on copy]

### FORM OF ACKNOWLEDGEMENT

To: [insert name of Secured Party] in their capacity as the Secured Party

Date: [date]

Dear Sirs

### NOTICE OF CHARGE OF ACCOUNT - ACKNOWLEDGEMENT

1. We refer to:
  - (a) the security agreement dated [date] (the "Security Agreement") between, among others, [insert name of relevant Chargor] (the "Chargors") and [insert name of Secured Party] (as defined therein); and
  - (b) the notice of the charge from any Chargor to us dated [date] (the "Notice").
2. Terms and expressions defined in the Notice shall have the same meanings herein.
3. At the request of any Chargor, we acknowledge receipt of the Notice in respect of the Charged Accounts.
4. We confirm that:
  - (a) we acknowledge the instructions and authorisations contained in the Notice and we undertake to act in accordance with the terms of the Notice; and
  - (b) we have not received notice of any previous assignments of, charges over or trusts in respect of, any of the Charged Accounts.
5. This acknowledgement and any non-contractual obligations arising out of or in connection with it shall be governed by, construed and take effect in accordance with English law.

.....  
For and on behalf of  
[insert name of Account Bank]

**SCHEDULE 8**  
**FORM OF NOTICE OF ASSIGNMENT**

To: [insert name and address of counterparty under Relevant Contract/insurer/broker]

Date: [date]

Dear Sirs,

**NOTICE OF ASSIGNMENT**

1. We refer to the security agreement dated [date] (the "Security Agreement") between, among others, [insert name of relevant Chargor] as charger and [insert name of Secured Party] (the "Secured Party").
2. This letter constitutes notice to you that, pursuant to the Security Agreement, we have assigned, absolutely and by way of security with first-ranking priority, to the Secured Party all of our rights, title and interest in and to [insert details of Relevant Contract/Insurance Policy] (as amended from time to time, the ["Relevant Contract"/"Insurance Policy"]), including without limitation all moneys payable by you to us pursuant thereto.
3. We shall continue to be solely responsible for the performance of our obligations under or in connection with the [Relevant Contract/Insurance Policy].
4. With effect from the time when you receive a notice from the Secured Party to the effect that the security created by the Security Agreement has become enforceable (an "Enforcement Notice"):
  - (a) you must pay all amounts payable by you under or in respect of the [Relevant Contract/Insurance Policy] to the Secured Party or as the Secured Party may specify from time to time;
  - (b) [all remedies provided for in the Relevant Contract or available at law or in equity shall be exercisable by the Secured Party];
  - (c) [all rights to compel performance of the Relevant Contract shall be exercisable by the Secured Party although we shall remain solely liable to perform all the obligations assumed by us under the Relevant Contract;]<sup>1</sup>
  - (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the [Relevant Contract/Insurance Policy] shall belong to the Secured Party.
5. You are hereby authorised and instructed, without requiring further approval from us, to provide the Secured Party with such information relating to the [Relevant Contract/Insurance Policy] as it may from time to time request and to send copies of all notices issued by you under the [Relevant Contract/Insurance Policy] to the Secured Party as well as to us.
6. You are hereby notified that [(other than as permitted under the Finance Documents (as defined in the Security Agreement))]<sup>2</sup> we are not permitted to amend or give any waiver under, or agree not to enforce (in whole or in part), any provision of the [Relevant Contract/Insurance Policy] in any material respect, or terminate, cancel or rescind the [Relevant Contract/Insurance Policy], without the prior written consent of the Secured Party (as notified to you in writing by the Secured Party), and any such amendment, waiver, consent, agreement, termination, cancellation or rescission by us

<sup>1</sup> Include the wording in paragraphs (a) and (b) only if the notice relates to a Relevant Contract

<sup>2</sup> Include this wording only if the notice is in respect of a Relevant Contract which is a Hedging Agreement.

in the absence of such notification to you by the Secured Party of their consent shall be invalid and ineffective.

7. [By signing the acknowledgement on the copy of this notice you undertake that:
- (a) as soon as you become aware of any failure by us to pay any premium or renew any Insurance Policy, you will keep the Secured Party's interest in such Insurance Policy in force up to the full sum insured and for the same risks (subject to the premium for any such period of extended cover being payable by the Secured Party for our account);
  - (b) you will advise the Secured Party of any proposed cancellation of any Insurance Policy at least 14 days before such cancellation is due to take effect;
  - (c) if the insurance cover is to be reduced or any insured risks are to be restricted, you will advise the Secured Party at least 14 days before such reduction or restriction is due to take effect;
  - (d) you will advise the Secured Party immediately of any act, omission or event which comes to your knowledge and which might invalidate the insurance or render it unenforceable, in whole or in part; and
  - (e) you will advise the Secured Party if any claim with a value in excess of [currency][amount] is rejected by insurers or if insurers impose a reservation of rights following the notification of any claim.]<sup>1</sup>
8. By signing the acknowledgement on the copy of this notice you undertake that:
- (a) you will not exercise any right of combination, consolidation or set-off which you may have in respect of any of the [Relevant Contract/Insurance Policy]; and
  - (b) you will not amend or vary any rights attaching to (or agree to amend or vary rights attaching to) the [Relevant Contract/Insurance Policy].
9. Neither this notice nor any of the instructions herein may be revoked or varied without the prior written consent of the Secured Party.
10. Please acknowledge receipt of this notice and your agreement to the terms hereof by signing the acknowledgement on the copy of this notice and returning to the Secured Party at [insert address] marked for the attention of [insert name of contact].
11. This notice and/or the acknowledgement hereto may be executed in any number of counterparts, and this has the same effect as if signatures on such counterparts were on a single copy of this letter and the acknowledgement hereto.
12. This notice and any non-contractual obligations arising out of or in connection with it shall be governed by, construed and take effect in accordance with English law.

Yours faithfully

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

<sup>1</sup> Include this wording only if the notice is addressed to an insurer in respect of one or more Insurance Policies.

[on copy]

### FORM OF ACKNOWLEDGEMENT

To: [insert name of Secured Party] in their capacity as Secured Party

Date: [date]

Dear Sirs,

### NOTICE OF ASSIGNMENT - ACKNOWLEDGEMENT

1. We refer to:
  - (a) the security agreement dated [date] (the "Security Agreement") between, among others, [insert name of relevant Chargor] (the "Chargors") and [insert name of Secured Party]; and
  - (b) the notice of the charge from any Chargor to us dated [date] (the "Notice").
2. Terms and expressions defined in the Notice shall have the same meanings herein.
3. At the request of any Chargor, we acknowledge receipt of the notice in respect of the [Relevant Contract/Insurance Policy].
4. We confirm that:
  - (a) we acknowledge the instructions and authorisations contained in the Notice and we consent to the assignment made pursuant to the Security Agreement and we undertake to act in accordance with the terms of the Notice; and
  - (b) we have not received notice of any previous assignments of, charges over or trusts in respect of any of the rights, interests and benefits in and to the [Relevant Contract/Insurance Policy].
5. This acknowledgement and any non-contractual obligations arising out of or in connection with it shall be governed by, construed and take effect in accordance with English law.

.....  
For and on behalf of

[insert name of counterparty under Relevant Contract/insurer/broker]

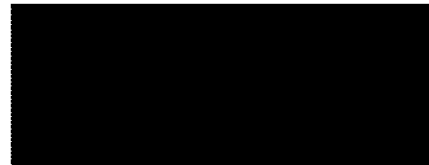


## SIGNATORIES

### ANY CHARGOR

EXECUTED AS A DEED by  
SCP SUGAR LIMITED  
on being signed by  
a Director

)  
)  
)  
)



(Director)

In the presence of:

Name:

Address:

Occupation:

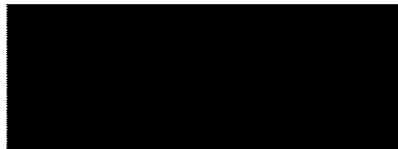
(Witness)

ELIZA WILA



EXECUTED AS A DEED by  
STRADA TRADING LIMITED  
on being signed by  
a Director

)  
)  
)  
)



(Director)

In the presence of:

Name:

Address:

Occupation:

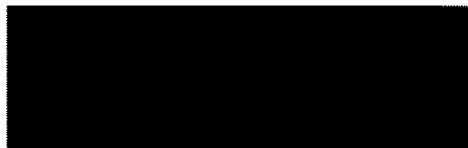
(Witness)

ELIZA WILA



EXECUTED AS A DEED by  
COPPA CLUB LIMITED  
on being signed by  
a Director

)  
)  
)  
)



(Director)

In the presence of:

Name:

Address:

Occupation:

(Witness)

ELIZA WILA



**THE SECURED PARTY**

**EXECUTED by** )  
**FRIENDS PROVIDENT INTERNATIONAL**  
**LIMITED** )

on being signed by )  
a Director )

In the presence of:

Name: RICHARD WATTERSON

Address:

Occupation:



for [redacted] onal

Authorised Signatory (

(Director)

for Friends Provident International

(Authorised Signatory