



Registration of a Charge

Company name: **AUDLEY GROUP LIMITED**

Company number: **09906780**



X6YN4G5L

Received for Electronic Filing: **29/01/2018**

Details of Charge

Date of creation: **26/01/2018**

Charge code: **0990 6780 0003**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **BURGES SALMON LLP (CH13)**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9906780

Charge code: 0990 6780 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th January 2018 and created by AUDLEY GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th January 2018 .

Given at Companies House, Cardiff on 31st January 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

SHAREHOLDER'S SECURITY AGREEMENT

AUDLEY GROUP LIMITED

(1)

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

(2)

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THIS DEED is dated 26 January 2018 and is made

BETWEEN:

- (1) **AUDLEY GROUP LIMITED** (registered number 09906780) (the "**Chargor**"); and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (the "**Security Agent**" as security trustee for the Secured Parties (as defined in the Facility Agreement defined below)).

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Acceleration Event means the exercise by the Agent or Security Agent of any of its rights under or in accordance with Clause 25.21 (*Acceleration*) of the Facility Agreement.

Act means the Law of Property Act 1925.

Borrower means Audley Court Limited (a company incorporated in England and Wales with registered number 05160167).

Facility Agreement means the revolving credit facility agreement dated on or around the date of this Deed between (among others) the Borrower as borrower and the Security Agent.

Investment Agreement means the investment agreement dated 14 December 2015 and made between the Chargor, certain of the Management Shareholders and the Borrower relating to the Borrower together with the supplemental agreement thereto dated on or about the date of this Deed (the **Supplemental Agreement**).

Party means a party to this Deed.

Receiver means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

Related Rights means any:

- (a) dividend, interest or other distribution (whether in cash or in specie and whether of a capital or income nature) declared, paid or payable in relation to the Shares at any time; and
- (b) accretion, right, benefit, money or property accruing, offered or issued at any time in relation to any Share by way of rights, capitalisation, pre-emption,

redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise and all interest or rights (whether legal or equitable having regard to applicable law) in relation to the Shares.

Security Asset means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Shares means all shares in the Borrower owned by the Chargor or held by any nominee or trustee on its behalf including, without limitation, the shares detailed in Schedule 1 (*Security Assets*).

Subordinated Debt means all present and future liabilities due, owing or incurred by any Obligor to the Chargor in any currency or currencies, whether actual or contingent, whether incurred solely or jointly with another person and whether incurred as principal or surety.

Subordinated Debt Document means any documents evidencing or recording the terms of any Subordinated Debt and any Security or guarantee in respect of the Subordinated Debt.

1.2 Construction

- (a) Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
 - (i) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (ii) any rights in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset; and
 - (iii) the term "this Security" means any Security created by this Deed.

- (d) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Effect as a Deed

This Deed is intended to take effect as a Deed notwithstanding that the Security Agent may have executed it under hand only.

1.4 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

2 CREATION OF SECURITY

2.1 General

- (a) The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) The total amount recoverable by the Secured Parties from the Chargor in relation to the Secured Liabilities shall be limited in aggregate to the amount realised from the proceeds of sale or other disposal or realisation of the Security Assets and the Secured Parties shall not have any recourse under this Deed to any assets of the Chargor other than the Security Assets.
- (c) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of the Chargor;
 - (iii) is security for the payment of all the Secured Liabilities; and

- (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (d) If the granting of any Security in respect of any Security Asset is prohibited:
 - (i) the Chargor must notify the Security Agent promptly;
 - (ii) the Chargor shall hold that Security Asset in trust for the Security Agent;
 - (iii) unless the Security Agent otherwise requires, the Chargor must:
 - (A) in respect of any consent or waiver required for the granting of Security in respect of that Security Asset:
 - 1) promptly apply for such consent or waiver; and
 - 2) if such consent or waiver is not to be unreasonably withheld, use its best endeavours to promptly obtain such consent, otherwise it shall use all reasonable endeavours to promptly obtain such consent or waiver;
 - (B) in respect of any condition required to be met or satisfied for the granting of Security in respect of that Security Asset, use its reasonable endeavours to promptly satisfy the relevant condition; and
 - (C) in all cases, keep the Security Agent informed of the progress in respect of such consent, waiver or condition; and
 - (iv) If the Chargor obtains the required consent or waiver or satisfies the relevant condition:
 - (A) the Chargor must notify the Security Agent promptly; and
 - (B) that Security Asset will immediately be secured in accordance with Clause 2.2(*Shares*).
- (e) The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

2.2 Shares

The Chargor:

- (a) charges by way of a first fixed charge its interest in all the Shares;
- (b) assigns by way of absolute assignment its interest in all Related Rights; and
- (c) (to the extent they are not effectively assigned under paragraph (b) above) charges by way of a first fixed charge its interest in the Related Rights.

2.3 Subordinated Debt

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption:
 - (i) all of its Subordinated Debt; and

- (ii) the benefit of all rights in relation to any Subordinated Debt (including, without limitation, all of its rights under each Subordinated Debt Document).
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a) above.

2.4 Investment Agreement

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption all of its rights and interest in and to the Investment Agreement (including, without limitation, under the Supplemental Agreement).
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a) above.

3 REPRESENTATIONS

3.1 Representations

The Chargor makes the representations and warranties set out in this Clause 2.4 (*Representations*) to the Security Agent as trustee for itself and for the benefit of each of the other Secured Parties, on the date of this Deed.

3.2 Binding obligations

The obligations expressed to be assumed by it in this Deed are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.

3.3 Non-conflict with other obligations

Subject to the Legal Reservations, the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets to an extent that has or is reasonably likely to have a Material Adverse Effect.

3.4 Power and authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by it.
- (b) No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.

3.5 Validity and admissibility in evidence

All Authorisations required:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdiction of incorporation

have been obtained or effected and are in full force and effect except any Authorisations referred to in paragraph (a) of Clause 19.8 (*No filing or stamp taxes*) of the Facility Agreement, which Authorisations will be promptly obtained or effected in the time period required in such clause.

3.6 Governing law and enforcement

- (a) Subject to the Legal Reservations, the choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- (b) Subject to the Legal Reservations, any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

3.7 Shares

- (a) The Shares are fully paid and are not subject to any option to purchase or similar rights.
- (b) The Chargor is the sole legal and beneficial owner of the Shares.
- (c) The constitutional documents of an issuer of any Security Assets do not:
 - (i) restrict or inhibit any transfer of the Shares on creation or enforcement of the security constituted by this Deed; or
 - (ii) contain any rights of pre-emption.
- (d) The Chargor has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- (e) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued or received under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Shares.

3.8 No Security

The Security Assets are free from any Security other than the Security created by this Deed.

3.9 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Security Assets or any interest in them.

3.10 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Security Assets.

3.11 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Security Assets.

3.12 No interference in enjoyment

No facility necessary for the enjoyment and use of the Security Assets is subject to terms entitling any person to terminate or curtail its use.

3.13 Avoidance of Security

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

3.14 Enforceable security

Subject to the Legal Reservations, this Deed is and will continue to be effective security over all and every part of the Security Assets in accordance with its terms.

3.15 Repetition

The representations and warranties set out in Clause 3.2 (*Ownership of Security Assets*) to Clause 3.14 (*Enforceable security*) are deemed to be repeated on each date referred to in Clause 19.24 (*Repetition*) of the Facility Agreement with reference to the facts and circumstances existing at the time of repetition.

4 RESTRICTIONS ON DEALINGS

4.1 Security

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must at any time during the Security Period not create or permit to subsist any Security on any Security Asset.

4.2 Disposals

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must at any time during the Security Period not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4.3 Amendment

The Chargor may not make or agree to any amendment, supplement, waiver, release or termination of the Investment Agreement or the Supplemental Agreement (other than a termination of the Investment Agreement in accordance with the terms of the Supplemental Agreement) without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed).

5 INFORMATION UNDERTAKINGS

5.1 Information

The Chargor shall:

- (a) promptly following receipt, send to the Security Agent copies of any notice, circular, report, accounts and any other document received by it that relates to the Security Assets;
- (b) give the Security Agent such other information concerning the Security Assets as the Security Agent may reasonably require;
- (c) promptly notify the Security Agent in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Security Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Agent's prior approval, implement those proposals at its own expense.

5.2 Notification of misrepresentation and breaches

The Chargor shall, promptly on becoming aware of any of the same, notify the Security Agent in writing of:

- (a) any representation or warranty set out in Clause 4 (*Representations*) which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant or undertaking set out in this Deed.

6 SHARES

6.1 Deposit

The Chargor must immediately:

- (a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to the Shares; and
- (b) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Shares.

6.2 Calls

- (a) The Chargor must pay all calls or other payments due and payable in respect of any of its Shares in accordance with the Facility Agreement.
- (b) If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Shares on behalf of such Chargor. The Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 6.2 (*Calls*).

6.3 Other obligations in respect of Shares

- (a) The Chargor must promptly send a copy to the Security Agent of, and comply with all requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any

articles of association or other constitutional document, or by any listing or other authority, relating to any of its Shares. If the Chargor fails to do so, the Security Agent may elect to provide such information as it may have on behalf of such Chargor.

- (b) The Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Shares.
- (c) The Security Agent is not obliged to:
 - (i) perform any obligation of the Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,in respect of any of the Shares.

6.4 Voting rights

- (a) Before this Security becomes enforceable, the voting rights, powers and other rights in respect of its Shares will be exercised:
 - (i) by the Chargor; or
 - (ii) if exercisable by the Security Agent, in any manner which the Chargor may direct the Security Agent in writing.
- (b) The Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of its Shares as permitted by this Deed on the direction of the Chargor.
- (c) After this Security has become enforceable, the Security Agent may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

6.5 Nominations

- (a) The Chargor shall immediately terminate all nominations it may have made in respect of any Security Asset and, pending such termination, procure that any person so nominated:
 - (i) does not exercise any rights in respect of any Security Asset without the prior written approval of the Security Agent; and
 - (ii) immediately upon receipt by it, forward to the Security Agent all communications or other information received by it in respect of any Security Asset for which it has been so nominated.

- (b) The Chargor shall not, during the Security Period, exercise the right to nominate any person other than the Security Agent or Secured Parties to enjoy or exercise any right relating to the Security Assets.

6.6 Pre-emption rights and restrictions on transfer

The Chargor shall:

- (a) obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an issuer of any Security Assets, for the transfer of the Security Assets to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and
- (b) procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Security Assets in any manner that the Security Agent may require in order to permit the transfer of the Security Assets to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.

6.7 Compliance with Requests for Information

The Chargor shall promptly copy to the Security Agent and comply with all requests for information which are made under the Companies Act 2006 (including, without limitation, under sections 790D and 790E of the Companies Act 2006) relating to all or any part of the Security Assets. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.

7 GENERAL UNDERTAKINGS

7.1 Authorisations

The Chargor shall:

- (a) comply with the requirements of any law and regulation relating to or affecting the Security Assets or the use of it or any part of them; and
- (b) obtain, and promptly renew from time to time, and comply with the terms of all Authorisations that are required in connection with the Security Assets or their use or that are necessary to preserve or renew any Security Asset.

7.2 Compliance with laws

The Chargor shall not without the Security Agent's prior written consent, use or permit the Security Assets to be used in any way contrary to law.

7.3 Preservation of Security Assets

The Chargor shall not do, or permit to be done, any act or thing that would depreciate, jeopardise or otherwise prejudice the security held by the Security Agent, or materially diminish the value of any of the Security Assets or the effectiveness of the security created by this Deed.

7.4 Compliance with laws and regulations

The Chargor shall comply with the requirements of any law or regulation relating to or affecting the Security Assets or the use of it or any part of it.

7.5 Chargor's waiver of set-off

The Chargor waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Chargor under this Deed).

7.6 Enforcement of rights

The Chargor shall enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets that the Security Agent may require from time to time.

7.7 Payment of outgoings

The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Security Assets and, on demand, produce evidence of payment to the Security Agent.

8 WHEN SECURITY BECOMES ENFORCEABLE

8.1 Acceleration Events

This Security will become immediately enforceable if an Acceleration Event occurs.

8.2 Discretion

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facility Agreement.

8.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

9 ENFORCEMENT OF SECURITY

9.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

9.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

9.3 Privileges

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

9.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

9.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

9.7 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the

Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

- (b) Where any financial collateral is appropriated:
- (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,
- and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

10 RECEIVER

10.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- (i) this Security has become enforceable; or
 - (ii) the Chargor so requests to the Security Agent at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

10.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

10.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

11 POWERS OF RECEIVER

11.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

11.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

11.3 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

11.4 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

11.5 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

11.6 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

11.7 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

11.8 Lending

A Receiver may lend money or advance credit to any person.

11.9 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

11.10 Other powers

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

12 APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facility Agreement. This Clause 12:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from the Chargor.

13 EXPENSES AND INDEMNITY

The Chargor must:

- (a) promptly on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

14 DELEGATION

14.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

14.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

14.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15 FURTHER ASSURANCES

- (a) The Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:
 - (i) creating, perfecting or protecting any security over any Security Asset; or
 - (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
 - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
 - (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary or desirable.

16 POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates (each such person being a "Beneficiary") to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law provided that such Beneficiary may only exercise its power under this Clause 16 whilst an Event of Default is continuing or to do something which a Chargor is obliged to do under in accordance with the terms of a Finance Document but has not done so or to remedy any action which a Chargor was prohibited from taking under any Finance Document. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 16.

17 MISCELLANEOUS

17.1 Continuing Security

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

17.2 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

17.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Chargor.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

17.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

17.5 Notice to Chargor

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any Transaction Obligor and contained in any other Security Document.

18 RELEASE

At the end of the Security Period, the Finance Parties must, at the request and cost of the Chargor, take whatever action is reasonably necessary to release its Security Assets from this Security and reassign to each Chargor any Security Assets assigned under this Deed, return all deeds and documents of title delivered to the Security Agent under this Deed and execute and deliver such further deeds or documents as any Chargor may reasonably require in order to give effect to this Clause 18.

19 GOVERNING LAW

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

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

Schedule 1

Security Assets

Issuer	Class	Number
Audley Court Limited	A	118,926,535

EXECUTION PAGE

CHARGOR

Executed as a Deed by
AUDLEY GROUP LIMITED
acting by *Jon Austin*

)
)
)

Director

In the presence of:

Witness

Name *K. MADILA MAALU*

Address

Occupation *PLANNING SOLICITOR*

Eversheds Sutherland
(International) LLP
1 Wood Street
London EC2V 7WS

SECURITY AGENT

SIGNED by HSBC CORPORATE TRUSTEE)
COMPANY (UK) LIMITED)

acting by:

Authorised Signatory

EXECUTION PAGE

CHARGOR

Executed as a Deed by
AUDLEY GROUP LIMITED
acting by

)
)
)

Director

In the presence of:

Witness

Name

Address

Occupation

SECURITY AGENT

SIGNED by HSBC CORPORATE TRUSTEE
COMPANY (UK) LIMITED

)
)

acting by:



Authorised Signatory *Simon LARSEN*