



Registration of a Charge

Company name: **IRON BRIDGE FINANCE CO. LIMITED**

Company number: **10192600**

Received for Electronic Filing: **20/07/2016**



X5BL9DPV

Details of Charge

Date of creation: **11/07/2016**

Charge code: **1019 2600 0001**

Persons entitled: **HERITAGE SQUARE LIMITED (CO. NO: 08364250)**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **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:

CHARLES RUSSELL SPEECHLYS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10192600

Charge code: 1019 2600 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th July 2016 and created by IRON BRIDGE FINANCE CO. LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th July 2016 .

Given at Companies House, Cardiff on 21st July 2016

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



Companies House



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

I CERTIFY THAT SAVE FOR MATERIAL
REDACTED PURSUANT TO SECTION
859G OF THE COMPANIES ACT 2006
THIS IS A TRUE COPY OF THE ORIGINAL
INSTRUMENT

Charles Russell Speechlys LLP
Charles Russell Speechlys LLP
5 Fleet Place
London EC4M 7RD
Date: 14 July 2016

CRS
Charles Russell
Speechlys

DATED

11 July

2016

(1) IRON BRIDGE FINANCE CO. LIMITED
(as Chargor)

and

(2) HERITAGE SQUARE LIMITED
(as Security Trustee)

DEBENTURE

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THIS DEED is dated

11 July

2016

BETWEEN:

- (1) **IRON BRIDGE FINANCE CO. LIMITED**, a company incorporated in England and Wales whose registered office is at 2nd Floor Gadd House, Arcadia Avenue, London, N3 2JU with company number 10192600 (the "**Chargor**");
- (2) **HERITAGE SQUARE LIMITED** a company incorporated in England and Wales whose registered office is at 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ, with company number 08364250 (the "**Security Trustee**").

BACKGROUND:

The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Account Bank	each bank, financial institution or other person with whom an Account is maintained
Accounts	any bank account held by the Chargor from time to time
Administrator	any administrator appointed in respect of the Chargor whether by the Security Trustee, a court or otherwise
Blocked Account(s)	all Accounts in respect of which the Chargor has granted an assignment or fixed charge pursuant to Clause 4.8 (<i>HK Letter and IB Borrower Account</i>) and issued a notice pursuant to Clause 14 (<i>Notices of Assignment and Charge</i>)
Chattels	all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them
Contracts	each of the documents entered into from time to time between the Chargor and any Customer or

	any guarantor
Customer Security	any security, including any guarantees, granted by Customers in favour of the Chargor as security for Customer Loans
Delegate	any delegate, agent, attorney or co-trustee appointed by the Security Trustee and/or any Receiver (as appropriate)
Discharge Date	the date on which all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising
Dividends	all dividends and distributions of any kind, interest and any other income received or receivable in relation to any of the Shares
Environment	<ul style="list-style-type: none"> (a) humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media: (b) air (including, without limitation, air within natural or man-made structures, whether above or below ground); (c) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and (d) land (including, without limitation, land under water).
Environmental Law	<p>any applicable law or regulation which relates to:</p> <ul style="list-style-type: none"> (a) the pollution or protection of the Environment; (b) the conditions of the workplace; or (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any

	waste.
Event of Default	any event or circumstance specified as such in clause 15 (<i>Events of Default</i>) of the Facility Agreement
Facility Agreement	the facility agreement dated on or about the date of this Deed between the Chargor (as borrower), Heritage Square Limited (as agent), the Security Trustee and the Original Lenders
Howard Kennedy	Howard Kennedy LLP, a limited liability partnership registered in England and Wales with registered partnership number OC361417, whose registered office is at No. 1 London Bridge, London, SE1 9BG
Insolvency Act	the Insolvency Act 1986
Intellectual Property	<p>(a) all patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and</p> <p>(b) the benefit of all applications, licences and rights to use the assets listed in paragraph (a) above</p>
Investments	the Shares and Dividends
Legal Mortgage	a charge by way of legal mortgage granted by the Chargor in favour of the Security Trustee and in the form of Schedule 3 (<i>Form of Legal Mortgage</i>) in respect of all or any part of the Real Property acquired by the Chargor after the date of this Deed
Lease	any lease or licence or other right of occupation or right to receive rent to which the Real Property may at any time be subject and includes any guarantee of a tenant's obligations under the same
LPA	the Law of Property Act 1925
Monetary	all book and other debts (including without limitation

Claims all Customer Loans) and monetary claims of any nature and however arising at any time owing to the Chargor or in which it has an interest and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same

Mortgaged Property any freehold, leasehold or immovable property specified in Schedule 1 (*Mortgaged Property*) and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage

Party a party to this Deed

Planning Legislation any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation

Policies

- (a) each of the insurance policies described in Schedule 2 (*Insurance Policies*);
- (b) each other insurance policy taken out by or on behalf of the Chargor or in respect of which it has an interest or a right to claim; and
- (c) any other insurance policy designated as a "Policy" by the Security Trustee and the Chargor

Real Property

- (a) the Mortgaged Property;
- (b) any other freehold, leasehold or immovable property in which any Chargor has an interest (including, for the avoidance of doubt, an option to purchase any property); and
- (c) any buildings, erections, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property

	listed in paragraphs (a) above and (b) above
Receiver	a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets
Regulations	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)
Related Rights	as regards any asset, all present and future: <ul style="list-style-type: none"> (a) money and proceeds of any nature paid or payable in relation to the asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that asset; and (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of the Chargor's interest in or ownership or operation of the asset
Relevant Currency	in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated
Relevant Interbank Market	the London interbank market
Secured Liabilities	all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to any Secured Party under each Finance Document
Secured Party	a Finance Party, a Receiver or Delegate
Security	has the meaning given to it in the Facility Agreement
Security Assets	all of the assets which from time to time are, or are expressed to be, the subject to the Security created by or pursuant to this Deed
Settlement System	CREST or any other electronic settlement system; and
Shares	

- (a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by the Chargor or in which it has an interest;
- (b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;
- (c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise.

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Facility Agreement has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 Unless a contrary indication appears, a reference in this Deed to:
 - 2.2.1 a document in "**agreed form**" is a document which is previously agreed in writing by the Chargor and the Security Trustee or, if not so agreed, is in the form specified by the Security Trustee;
 - 2.2.2 "**certificated**" has the meaning given to it in the Uncertificated Securities Regulations 2001;
 - 2.2.3 "**clearance system**" means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depositary for that person;
 - 2.2.4 this Deed, a "**Finance Document**" or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - 2.2.5 a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

- 2.2.6 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- 2.2.7 **"Security Asset", "Accounts", "Chattels", "Contracts", "Intellectual Property", "Investments", "Lease", "Monetary Claims", "Policies" and "Real Property"** includes:
- (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.2.8 **"Secured Liabilities"** is deemed to include a reference to any part of them;
- 2.2.9 the **"Lenders"**, the **"Security Trustee"**, the **"Chargor"**, or any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee or Security Trustees in accordance with the Finance Documents;
- 2.2.10 a provision of law is a reference to that provision as amended or re-enacted;
- 2.2.11 the singular is deemed to include the plural and vice versa; and
- 2.2.12 a time of day is a reference to London time.
- 2.3 The term **"Lenders"** includes any subsidiary or group company or assignee of a Lender granting or continuing to grant facilities or accommodation to the Chargor.
- 2.4 **"receivers"** are references to receivers of whatsoever nature including, without limitation, receivers, managers and administrative receivers.
- 2.5 **"administrators"** are references to administrators appointed under the Insolvency Act and include administrators appointed under the out of court procedure under the Insolvency Act.
- 2.6 Clause and Schedule headings are for ease of reference only.
- 2.7 A **"Default"** (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is **"continuing"** if it has not been remedied or waived.
- 2.8 Any undertaking given by the Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of the Security Trustee.
- 2.9 The terms of the other Finance Documents and of any side letters between any parties to the Facility Agreement in relation to any Finance Document (as the case

may be) are incorporated into this Deed to the extent required to ensure that any purported 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.

- 2.10 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.11 Clauses 4.2 (*Land*) to 4.12 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.12 It is intended that this Deed takes effect as a deed notwithstanding the fact that a party may only execute this Deed under hand.
- 2.13 If the Security Trustee (acting reasonably) considers that an amount paid to it under any Finance Document or in relation to any Secured Liability 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.
- 2.14 In the event of a conflict between the terms of this Deed and the terms of the Facility Agreement, the terms of the Facility Agreement will prevail.

3 UNDERTAKING TO PAY

The Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 Nature of the Security

4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Security Trustee;
- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If the Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) the Chargor shall notify the Security Trustee promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which the Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed;
- (c) unless the Security Trustee otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed; and

4.1.3 The Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.

4.2 Land

The Chargor charges:

4.2.1 by way of a first legal mortgage, all the Mortgaged Property and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use the Mortgaged Property; and

4.2.2 (to the extent that they are not the subject of a mortgage under Clause 4.2.1 above) by way of first fixed charge, all the Real Property and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use Real Property.

4.3 Chattels

The Chargor charges by way of a first fixed charge all the Chattels owned by it and its interest in any Chattels in its possession.

4.4 Investments

The Chargor charges by way of a first fixed charge all the Shares and Dividends.

4.5 Accounts

4.5.1 The Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights in respect of the Accounts;

4.5.2 To the extent that they are not effectively assigned under Clause 4.5.1 above, the Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.6 Monetary Claims

The Chargor charges by way of a first fixed charge all the Monetary Claims.

4.7 Customer Security

The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights in respect of the Customer Security.

4.8 HK Letter and IB Borrower Account

4.8.1 The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights under the HK Letter and all its rights (if any) in the HK Account and any IB Borrower Account.

4.8.2 To the extent that they are not effectively assigned under Clause 4.8.1 above, the Chargor charges by way of first fixed charge all of its rights (if any) and interest under the HK Letter and all of its rights and interest (if any) in and to the HK Account and any IB Borrower Account.

4.9 Contracts

4.9.1 The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*), all its rights in respect of:

- (a) the Contracts;
- (b) any letter of credit issued in its favour; and
- (c) any bill of exchange or other negotiable instrument held by it.

4.9.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the Chargor charges by way of fixed charge all of its rights and interest in such Contract.

4.9.3 To the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, the Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.10 Insurances

- 4.10.1 The Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*), all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.
- 4.10.2 To the extent that they are not effectively assigned under clause 4.10.1 above, the Chargor charges by way of a first fixed charge the relevant amounts and rights described in clause 4.10.1 above.

4.11 Intellectual Property

The Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.12 Miscellaneous

The Chargor charges by way of first fixed charge:

- 4.12.1 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.12.2 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
- 4.12.3 its goodwill and uncalled capital; and
- 4.12.4 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any authorisation.

4.13 Floating charge

- 4.13.1 The Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.13.2 Paragraph 14(2)(a) of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 4.13.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.14 Crystallisation

- 4.14.1 The Security Trustee may at any time by notice in writing to the Chargor convert any floating charge created by the Chargor pursuant to Clause 4.13 (*Floating charge*) above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:

- (a) the security constituted by this Deed has become enforceable in accordance with Clause 16 (*Enforcement of Security*); or
- (b) the Security Trustee reasonably considers the applicable Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
- (c) the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security with respect to the relevant Security Assets.

4.14.2 Notwithstanding Clause 4.14.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.13 (*Floating charge*) will automatically and immediately (without notice) convert into a fixed charge over all of the Chargor's assets if:

- (a) the Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of the Facility Agreement;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of the Chargor or a person entitled to appoint an administrator in respect of the Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of the Chargor other than a winding up petition which is stayed within 14 days of commencement.

4.14.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.13 (*Floating charge*) may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule 1A of the Insolvency Act) under the Insolvency Act.

5 NEGATIVE UNDERTAKINGS

5.1 Negative Pledge

The Chargor shall not create or permit to subsist any Security over any Security Asset other than pursuant to this Deed.

5.2 Disposals

Except as permitted by, and in accordance with the terms of, the Facility Agreement, the Chargor shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of any Customer Loan or any other material asset.

6 REAL PROPERTY

6.1 Acquisitions

6.1.1 If the Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:

- (a) notify the Security Trustee immediately;
- (b) immediately on request by the Security Trustee and at the cost of the Chargor, execute and deliver to the Security Trustee a Legal Mortgage in favour of the Security Trustee (as trustee for the Secured Parties) of that property;
- (c) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
- (d) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

6.1.2 If the consent of the landlord in whom the reversion of a lease is vested is required for the Chargor to execute a Legal Mortgage over it, the Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within 7 days of making the request.

6.2 Notices

The Chargor shall:

6.2.1 promptly give to the Security Trustee full particulars with respect to (and, if requested by the Security Trustee, a copy of) any notice, order, directive, designation, resolution or proposal which applies to any of its Real Property or to the area in which it is situate and which is issued:

- (a) by any planning authority or other public body or authority under or by virtue of any Planning Legislation;
 - (b) pursuant to any law or regulation relating to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
 - (c) pursuant to section 146 of the LPA; or
 - (d) pursuant to some other power conferred by law;
- 6.2.2 without delay and its own cost, make such objections or representations (or join with the Security Trustee in making such objections or representations) against or in respect of any such notice, order, directive, designation, resolution or proposal as the Security Trustee may direct; and
- 6.2.3 take all steps necessary to comply with each such notice, order, directive, designation, resolution or proposal.

6.3 Leases

- 6.3.1 The Chargor shall not grant or agree to grant (whether in exercise, or independently, of any statutory power) any Lease of its Real Property or any licence or consent (whether expressly or by conduct) for assignment, parting with or sharing possession or occupation, underletting, change of use or alterations in relation to any Lease to which any part of its Real Property is subject and nor shall it accept (or agree to accept) any surrender, cancellation, assignment, charge or other disposal of, or agree to vary, any such Lease.
- 6.3.2 The Chargor shall:
- (a) pay the rent reserved by and otherwise perform and observe all covenants, stipulations and obligations on the part of the lessee (and diligently enforce performance of the obligations on the part of the lessor) in respect of any land constituting part of its Real Property;
 - (b) immediately notify the Security Trustee if any Lease in respect of which it is the lessee has or may become subject to determination or to the exercise by the lessor of any right of re-entry or forfeiture and, if so required by the Security Trustee acting reasonably, diligently pursue applications for relief from any such rights of re-entry or forfeiture;
 - (c) if the Security Trustee so requires, serve notice in respect of any fixed charge (as defined in the Landlord and Tenant (Covenants) Act 1995) in the appropriate form on any former tenant under a lease of Real Property or the guarantor of such a tenant;

- (d) in respect of any Lease of which it is the lessee refrain from agreeing any change in the rent reserved by any such Lease without the prior written consent of the Security Trustee; and
- (e) in respect of any Lease of which it is the lessor:
 - (i) implement any provision for the review of any rent reserved by any such Lease and not agree to a change in rent without the prior written consent of the Security Trustee;
 - (ii) not agree to any amendment, waiver, renewal or surrender of such Lease;
 - (iii) exercise any right of re-entry, exercise any option or power to break or determine or commence forfeiture proceedings against any lessee under any such Lease; and
 - (iv) otherwise efficiently manage the premises the subject of each such Lease.

6.4 Obligations

Notwithstanding the operation of Clause 6.3 (*Leases*), the Chargor is and shall remain liable under that Lease and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Lease by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

6.5 Deposit of title deeds

The Chargor shall immediately deposit with the Security Trustee all deeds and documents of title relating to its Real Property and all local land charges, land charge and Land Registry certificates and similar documents received by it or on its behalf.

6.6 Maintenance

The Chargor shall:

- 6.6.1 from time to time on request, furnish to the Security Trustee such information in relation to its Real Property and the Leases to which its Real Property shall be subject as the Security Trustee may require and permit the Security Trustee, its agents, officers and employees free access at all times (and, unless an Event of Default is continuing, on reasonable notice) to view the state and condition of its Real Property without becoming liable to account as mortgagee in possession;
- 6.6.2 keep the Real Property in good repair and condition and decorative order and shall promptly repair any defect or damage affecting its Real Property and, where necessary, replace such items with others of similar quality and value;

6.6.3 not, other than in accordance with the terms of the Facility Agreement:

- (a) carry out or permit any demolition, reconstruction or rebuilding of its Real Property or any structural alterations or material change in its use; or
- (b) sever, unfix or remove any of the fixtures, fittings, plant or machinery (other than its stock in trade and work in progress) on or in its Real Property (except for the purpose and in the course of making necessary repairs to such Real Property or for replacing the same with new or improved models or substitutes);

6.6.4 observe and perform all restrictive and other covenants, undertakings, stipulations and obligations affecting any of its Real Property insofar as they are subsisting and capable of being enforced; and

6.6.5 duly and diligently enforce all restrictive or other covenants, undertakings, stipulations and obligations benefiting its Real Property and not waive, release or vary (or agree to do so) the obligations of any other party thereto.

6.7 Development

Other than in accordance with the terms of the Facility Agreement, the Chargor shall not carry out or permit to be carried out any Development (as defined in the Town and Country Planning Act 1990) or change, or permit any change in, the user of any Real Property.

6.8 Compliance

The Chargor shall comply with:

6.8.1 all laws for the time being in force; and

6.8.2 all notices, orders, directives, licences, consents and assurances given or made under any law or regulation by any person,

in each case, insofar as the same relate to its Real Property or the occupation and use of its Real Property.

6.9 Planning

Other than as permitted under the Facility Agreement, the Chargor agrees that it shall:

6.9.1 not do anything in relation to any of its Real Property if the doing of such thing would require a consent under any Planning Legislation; and

6.9.2 not make any application for or implement any planning permission obtained or enter or agree to enter into any agreement under Section 106 of the Town and Country Planning Act 1990, Section 33 of the Local

Government (Miscellaneous Provisions) Act 1982 or Section 38 of the Highways Act 1980 or any similar law.

6.10 Investigation of title

The Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of the Chargor to enable the Security Trustee or its lawyers (at the expense of the Chargor) to:

6.10.1 carry out investigations of title in relation to its Real Property (if any); and

6.10.2 make such enquiries in relation to any part of its Real Property (if any) as a prudent mortgagee might carry out.

6.11 Compensation payments

Subject to the rights and claims of any person having prior rights to such compensation, all monies payable to the Chargor by way of compensation, whether under Section 25 of the Law of Property Act 1969 or under the Landlord and Tenant Acts 1927 to 1954 or otherwise, shall be paid to the Security Trustee (who shall be entitled to give good receipt for such monies) and applied in accordance with Clause 19.1 (*Order of application*) as though they were the proceeds of the enforcement of the security constituted by this Deed, and any monies that may be received by the Chargor shall, pending such payment, be held on trust for the Security Trustee.

6.12 Power to remedy

If the Chargor fails to comply with any of the undertakings contained in this Clause 6, the Chargor shall allow the Security Trustee or its agents and contractors:

6.12.1 to enter any part of its Real Property;

6.12.2 to comply with or object to any notice served on the Chargor in respect of its Real Property; and

6.12.3 to take any action as the Security Trustee may consider necessary or desirable to prevent or remedy the relevant breach or to comply with or object to any such notice.

The Chargor shall immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee and its agents and contractors incurred in connection with any action taken under this sub-clause.

7 INVESTMENTS

7.1 Investments - representations and warranties

The Chargor represents and warrants to the Security Trustee that:

7.1.1 it is the sole legal and beneficial owner of the Shares;

- 7.1.2 the Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right and there are no monies or liabilities outstanding in respect of any Share;
- 7.1.3 the articles of association (and any shareholder agreement if applicable) of the company(ies) whose Shares are subject to this Deed (if any) allow for the free and unrestricted transfer of the Shares and Related Rights free from any rights of pre-emption, forfeiture or disenfranchisement and that the company(ies) whose Shares are subject to this Deed are/is not, in any circumstances, entitled to any form of lien upon the Shares; and
- 7.1.4 there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any Shares.

7.2 Deposit of title documents

The Chargor undertakes to deposit with the Security Trustee or the Security Trustee's nominee:

- 7.2.1 on or before execution of this Deed, all share certificates or other documents of title relating to the Shares;
- 7.2.2 immediately upon its acquisition of any Investment or upon the withdrawal of any Investment from any Settlement System, all share certificates and other documents of title relating to that Investment; and
- 7.2.3 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, all share certificates and other documents of title relating to each of such items,

together with stock transfer forms (or other appropriate transfer instruments) signed by the Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Trustee may hold all those certificates, forms and documents until the Discharge Date.

7.3 Completion of transfers

The Security Trustee is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of the Chargor in favour of the Security Trustee or its nominee, using the power of attorney contained in Clause 22 (*Power of attorney*) or otherwise.

7.4 Voting and Dividends

7.4.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) subject to Clause 7.4.1(b) below, the Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that:
 - (i) it does so for a purpose not inconsistent with its obligations under any Finance Document; and
 - (ii) the exercise or failure to exercise those rights does not have an adverse effect on the value of the Investments and does not otherwise prejudice the Security Trustee's interests under this Deed.
- (b) the Chargor is entitled to receive all Dividends/ensure that all Dividends are deposited and held in any Account.

7.4.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Security Trustee will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment as it sees fit in its absolute discretion;
- (b) the Chargor shall comply, or procure compliance with, any directions of the Security Trustee in relation to the exercise of those rights and shall promptly execute and deliver to the Security Trustee all forms of proxy as the Security Trustee may require in connection with the exercise of those rights;
- (c) all Dividends shall be paid or transferred to the Security Trustee (or to its order) and any Dividends received by the Chargor shall be held by the Chargor on trust for the Security Trustee and immediately paid by it to the Security Trustee or to any nominee designated by the Security Trustee. The Security Trustee will be entitled to apply those Dividends in accordance with Clause 19.1; and
- (d) where any Investments are held in a Settlement System, the Chargor shall give all necessary instructions to or via that Settlement System to ensure that Dividends are paid or transferred to the Security Trustee, or its nominee, and that voting rights are exercisable by the Security Trustee in accordance with Clauses 7.4.2(a) and 7.4.2(b) above;

7.4.3

- (a) the Security Trustee may, in its absolute discretion, and without any consent or authority from the Chargor (but providing the Chargor

with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Security Trustee pursuant to Clause 7.4.2(a) above;

- (b) once a notice has been issued by the Security Trustee under Clause 7.4.3(a) above, on and from the date of such notice, the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares conferred or to be conferred on it pursuant to Clause 7.4.2(a) above or any other provision of this Deed and all such rights shall be exercisable by the Chargor. The Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in Clause 7.4.1(a) above.

7.5 Limited obligations of the Security Trustee

At any time when any Security Assets are registered in the name of the Security Trustee or its nominee, the Security Trustee shall have no duty:

- 7.5.1 to make any payment or to ensure that any dividends, distributions, interest or other monies payable in respect of those Security Assets are duly and promptly paid or received by it or its nominee;
- 7.5.2 to verify that the amounts referred to in Clause 7.5.1 are the correct amounts paid or received;
- 7.5.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, those Security Assets;
- 7.5.4 to perform any obligation of the Chargor in relation to those Security Assets; or
- 7.5.5 to 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.

7.6 Nominee shareholders

If any Investment is registered in the name of a nominee, the Chargor shall on demand, provide to the Security Trustee:

- 7.6.1 an equitable mortgage over such Investment or power of attorney or acknowledgement of rights created by this Deed of such Investment in favour of the Security Trustee in such terms as the Security Trustee may require duly executed by or on behalf of such nominee; and

7.6.2 an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Investment is held. That power of attorney shall appoint the Security Trustee and every Receiver as the attorney of the holder in relation to that Investment and shall be in a form approved by the Security Trustee.

7.7 Acquisition of Shares

Unless permitted by the terms of the Facility Agreement, the Chargor shall not:

7.7.1 acquire or enter into any agreement to acquire, any Shares; and

7.7.2 permit the declaration of or payment of any Dividend.

7.8 Circulars

The Chargor shall promptly deliver to the Security Trustee a copy of every circular, notice, report set of documents received by it or its nominee in connection with the Investments.

7.9 Calls

The Chargor shall pay all calls and other payments due in relation to the Investments. If the Chargor fails to do so, the Security Trustee may pay those calls or other payments on the Chargor's behalf and the Chargor shall immediately on demand reimburse the Security Trustee for any such payment.

7.10 Alteration to rights

The Chargor shall not vary or agree to any variation in voting rights attaching to the Shares and shall not cause or permit any of the Shares to be consolidated, sub-divided or converted.

7.11 Other obligations in respect of Investments

7.11.1 The Chargor shall comply with all requests for information relating to any Investments which is within its actual or imputed knowledge and with which it is required to comply by their articles of association or by any law (including section 793, 820 to 825 of the Companies Act 2006).

7.11.2 The Chargor shall promptly supply a copy to the Security Trustee of any information referred to in Clause 7.11.1.

7.11.3 The Chargor shall comply with all other conditions and obligations assumed by them in respect of any Investment.

8 CHATTELS

8.1 Maintenance

The Chargor shall:

- 8.1.1 keep all its Chattels in good repair, working order and condition;
- 8.1.2 give the Security Trustee such information concerning the location, condition, use and operation of its Chattels as the Security Trustee may reasonably require;
- 8.1.3 permit any persons designated by the Security Trustee to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and
- 8.1.4 not permit any Chattels to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

9 ACCOUNTS

9.1 Undertakings

- 9.1.1 Subject to the terms of the Facility Agreement, the Chargor shall:
 - (a) not open or maintain any account other than the Accounts;
 - (b) except as regards any account maintained with the Security Trustee, deliver to the Security Trustee details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;
 - (c) promptly upon request by the Security Trustee, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and
 - (d) not permit or agree to any variation of the terms and conditions relating to any Account or close any Accounts.

9.2 Operation of the IB Borrower Account

Subject to the terms of the Facility Agreement, the Chargor may not, at any time, withdraw or transfer any sums from an IB Borrower Account.

9.3 Time deposits

If the balance of any Account constitutes a time deposit then, subject to any contrary instructions from the Security Trustee, that time deposit shall be successively redeposited for such periods and on such terms as may from time to time be agreed between the Security Trustee and the Chargor in writing (failing which agreement, for such periods and on such terms as the Security Trustee may in its discretion decide).

10 MONETARY CLAIMS

10.1 Collecting Monetary Claims

The Chargor shall promptly get in and realise all Monetary Claims subject to and in accordance with the Servicing Guidelines and pay the proceeds of such Monetary Claims into the HK Account or an IB Borrower Account or as the Security Trustee may otherwise permit in writing and pending that payment will hold those proceeds on trust for the Security Trustee.

10.2 Dealing with Monetary Claims

The Chargor shall not, without the prior written consent of the Security Trustee, assign or factor any of the Monetary Claims or (other than in accordance with the Servicing Guidelines or as permitted by Clause 14.16 (*Amendments*) of the Facility Agreement) vary any term relating to a Monetary Claim or otherwise discount, release, waive, compound or otherwise deal with any of the Monetary Claims.

10.3 Assignment

The Chargor shall, at the Security Trustee's request after this Deed has become enforceable in accordance with Clause 16, execute a legal assignment of its Monetary Claims in favour of the Security Trustee on such terms as the Security Trustee may require and will sign and deliver written notice of that assignment, in a form acceptable to the Security Trustee, to each debtor which owes or may owe a Monetary Claim and will use all reasonable endeavours to procure that the notice is duly acknowledged by the debtors concerned in accordance with the terms of that assignment and that, following the date of such notice, each such debtor pays such Monetary Claims to the Security Trustee in accordance with the terms of the notice.

11 CONTRACTS

11.1 Contracts - representations and warranties

The Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, that:

- 11.1.1 subject to the Reservations, each Contract to which it is a party is in full force and effect and constitutes its legal, valid, binding and enforceable obligations;
- 11.1.2 its execution and performance of the Contracts to which it is a party does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument;
- 11.1.3 all payments due to it from any party under the Contracts to which it is a party can be made without withholding or deduction on account of Tax; and

- 11.1.4 there is no prohibition on assignment by it in the Contracts to which it is a party.

11.2 Undertaking

- 11.2.1 The Chargor shall not without the prior written consent of the Security Trustee:

- (a) save as permitted by the Servicing Guidelines or Clause 14.16 of the Facility Agreement amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Contract to which it is a party or terminate such Contract or allow such Contract to lapse (other than where a Contract expires in accordance with its terms and not by reason of default) and shall not do or permit anything to be done which may impair the enforceability of any term of any such Contract;
- (b) take any action which might reasonably be expected to jeopardise the existence or enforceability of any Contract to which it is a party.

- 11.2.2 The Chargor shall:

- (a) promptly perform all its obligations under each Contract to which it is a party;
- (b) subject to the Servicing Guidelines diligently enforce its rights under each Contract to which it is a party;
- (c) inform the Security Trustee immediately if it serves any notice of default, or commences any legal proceeding, or receives any notice of default or of the initiation of any legal proceeding in relation to any Contract to which it is a party;
- (d) supply the Security Trustee with (i) a copy of each Contract to which it is a party and (ii) any other information and copies of any other documents relating to each Contracts to which it is a party which the Security Trustee, or any Receiver, requests.

11.3 Obligations

Notwithstanding the operation of Clause 4.9 (*Contracts*), the Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations under that Contract and exercise all relevant rights and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

12 INSURANCES

12.1 Insurances - representations and warranties

The Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date that:

- 12.1.1 each Policy is in full force and effect and on risk, all premiums payable in relation to the Policies have been paid when due and payable, there are no grounds on which any Policy may be declared void or voidable in whole or in part; and
- 12.1.2 its entry into the Policies does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it.

12.2 Preservation and enforcement of rights

Subject to the terms of the Facility Agreement, the Chargor shall:

- 12.2.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business. All such insurances must be maintained with a reputable independent insurance company or underwriter;
- 12.2.2 perform all its obligations, pay all premiums and other monies payable and diligently enforce all its rights under the Policies and take all action necessary to keep the Policies in full force and effect and otherwise preserve its rights under the Policies (including by way of legal or arbitration proceedings);
- 12.2.3 inform the Security Trustee immediately if it commences any legal proceeding, or receives notice of the initiation of any legal proceeding, in relation to any Policy or if it becomes aware of any Policy becoming void or voidable in whole or in part;
- 12.2.4 supply the Security Trustee with:
 - (a) a copy of each Policy and of each certificate of insurance and cover note relating to each Policy, certified as being true and correct copies by a director of the Chargor; and
 - (b) any other information and copies of any other documents relating to the Policies which the Security Trustee, or any Receiver, requests; and
- 12.2.5 if required by the Security Trustee following the occurrence of an Event of Default use its best efforts to cause each insurance policy or policies relating to the Security Assets to contain (in form and substance reasonably

satisfactory to the Security Trustee) an endorsement naming the Security Trustee as sole loss payee in respect of all claims.

12.3 Amendments and waivers

The Chargor shall not, without the Security Trustee's prior written consent, amend, supplement or waive or agree to the material amendment, supplement or waiver of any material term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

12.4 Default interest

If the Chargor defaults in complying with Clause 12.2 (*Preservation and enforcement of rights*), any Secured Party may effect or renew any such insurance on such terms, in such name(s) and in such amounts as it reasonably considers appropriate, and all monies expended by the Secured Parties in doing so shall be reimbursed by such Chargor to the relevant Secured Parties on demand and shall carry interest from the date of payment by the Secured Parties until reimbursed as the rate specified in clause 9.1 (*Default Interest*) of the Facility Agreement.

13 THE LAND REGISTRY

- 13.1 The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [REDACTED] in favour of [•] referred to in the charges register or [**conveyancer**] or [**specify appropriate details**]."

- 13.2 The Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The lender under a facilities agreement dated [REDACTED] is under an obligation (subject to the terms of that facilities agreement) to make further advances and the debenture referred to in the charges register dated [REDACTED] in favour of [•] secures those further advances."

- 13.3 The Chargor shall not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.

- 13.4 The Chargor shall not permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property.
- 13.5 The Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Security created by or pursuant to this Deed.
- 13.6 The Chargor authorises the Security Trustee and/or any solicitors or other agent acting on behalf of the Security Trustee to complete, execute and deliver on the Chargor's behalf (but at the cost of the Chargor) to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 13.

14 NOTICES OF ASSIGNMENT AND CHARGE

14.1 IB Borrower Account

- 14.1.1 The Chargor shall serve notice of charge in the form of Part 1 of Schedule 4 (*Form of notice to Account Bank*) on the Account Bank with whom the IB Borrower Account is held immediately upon the Chargor opening an IB Borrower Account.
- 14.1.2 The Chargor shall procure that the Account Bank acknowledges any notice by signing and returning to the Security Trustee a letter of acknowledgment substantially in the form of Part 2 of Schedule 4 (*Form of Acknowledgment from Account Bank*) within 7 days of the date of such notice. Any instructions contained in the notice of charge sent by the Chargor pursuant to this Clause may not be revoked by the Chargor or amended without the Security Trustee's prior written consent.

15 POWERS, PROTECTION AND DISCRETIONS OF THE SECURITY TRUSTEE

15.1 Rights and powers etc

All the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed on a Receiver may, after this Security has become enforceable, be exercised by the Security Trustee in respect of the Security Assets whether or not a Receiver has been or is later appointed.

15.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Security Trustee when the Security Trustee is exercising the rights, powers, authorities and discretions conferred on the Security Trustee by this Deed.

15.3 Curing of breaches and covenants

If the Chargor fails to comply with any provision of this Deed, then the Chargor shall allow and hereby authorises the Security Trustee or its nominee to do all such acts and things and take such action on behalf of the Chargor as may be necessary to

secure compliance with that provision without becoming liable as a mortgagee in possession.

15.4 Indemnity

The Chargor shall indemnify the Security Trustee against all losses, costs, charges and expenses incurred by the Security Trustee as a result of the failure by the Chargor to comply with any provision of this Deed and in connection with the exercise by the Security Trustee or its nominee of their respective rights contained in Clause 15.3 (*Curing of breaches and covenants*).

15.5 Expenses so incurred

All monies expended and all costs incurred by the Security Trustee or its nominee in carrying out any of their respective powers and discretions referred to in Clause 15.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Security Trustee or its nominee, shall be secured by this Security and shall be payable on demand by the Chargor to the Security Trustee.

16 ENFORCEMENT OF SECURITY

16.1 Timing

The Security created by this Deed will be immediately enforceable at any time after the occurrence of:

16.1.1 an Event of Default; or

16.1.2 a request being made by the Chargor to the Security Trustee that it exercise any of its powers under this Deed.

16.2 Enforcement

After this Security has become enforceable, the Security Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion:

16.2.1 enforce all or any part of that Security (at any time and in any manner it sees fit);

16.2.2 appoint a Receiver to all or any part of the Security Assets;

16.2.3 appoint one or more persons as an Administrator of the Chargor in accordance with Schedule B1 of the Insolvency Act;

16.2.4 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);

- 16.2.5 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into the name of its nominee;
- 16.2.6 whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;
- 16.2.7 subject to Clause 4.14.3, by written notice to the Chargor convert the floating charge created by Clause 4.13 into a fixed charge as regards any assets specified in that notice;
- 16.2.8 may exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets;
- 16.2.9 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
- (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 19.1 (*Order of application*).

16.3 Statutory powers

- 16.3.1 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.
- 16.3.2 The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.
- 16.3.3 The statutory powers of leasing may be exercised by the Security Trustee at any time on or after this Deed has become enforceable and such powers

are extended by this Deed so as to authorise the Security Trustee may make any lease or agreements for lease, accept surrenders of leases and grant options on such terms as the Security Trustee may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).

16.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "Mortgagor" will include any incumbrancer deriving title under the Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.

16.3.5 The Chargor shall not have, at any time up until the Discharge Date, the power pursuant to section 99 of the LPA to make any Lease in respect of any Real Property without the prior written consent of the Security Trustee unless permitted pursuant to the terms of the Facility Agreement.

16.3.6 The restrictions contained in section 93 and section 103 of the LPA shall not apply to the Security constituted by this Deed.

16.3.7 Each Receiver and the Security Trustee is entitled to all the rights, powers and privileges and immunities conferred by the LPA and the Insolvency Act on mortgagees and Receivers.

16.4 Access on enforcement

16.4.1 At any time after the Security has become enforceable, the Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where any Secured Party reasonably believes a Secured Asset to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

16.4.2 At all times, the Chargor must use its best endeavours to allow any Secured Party access to any premises for the purpose of Clause 16.4.1 (obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

17 RECEIVER

17.1 Appointment of Receiver

17.1.1 After this Deed has become enforceable the Security Trustee may without prior notice, appoint:

- (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
- (b) two or more Receivers of separate parts of the Security Assets; or

(c) appoint another person(s) as an additional Receiver(s).

17.1.2 Any appointment under Clause 17.1.1 above may be by deed, under seal or in writing under its hand.

17.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.

17.1.4 At any time, if so requested by the Chargor, without further notice, the Security Trustee may appoint a Receiver to all or any part of the Secured Assets as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

17.2 Statutory powers of appointment

The powers of appointment of a Receiver pursuant to Clause 17.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed), the Insolvency Act or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.

17.3 Removal

The Security Trustee may from time to time 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 who has been removed for any reason.

17.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) and (8) of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

17.5 Agent of the Chargor

17.5.1 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 LPA. The Chargor is solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

17.5.2 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.

17.5.3 No Receiver shall at any time act as agent for any other Secured Party.

18 POWERS OF RECEIVER

18.1 Statutory powers

18.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of the Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver (or a receiver and manager) appointed under the LPA or the Insolvency Act.

18.1.2 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 Deed individually (and to the exclusion of any other Receiver) or together with any other person appointed or substituted as a Receiver.

18.2 Additional powers

In addition to those powers, rights and discretions set out in Clauses 18.1.1(a) and 18.1.1(b) above, a Receiver shall have the following rights, powers and discretions:

18.2.1 Possession

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

18.2.2 Carry on business

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of the Chargor as he in his discretion may think fit.

18.2.3 Protection of assets

A Receiver may:

- (a) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;

- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Real Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

18.2.4 Employees

- (a) A Receiver may appoint and discharge managers, directors and secretaries for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

18.2.5 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 thinks fit.
- (b) The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

18.2.6 Let, hire or lease

A Receiver may:

- (a) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- (c) exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the Chargor or otherwise.

18.2.7 Registration

A Receiver may use the Chargor's name to effect any registration or election for tax or other purposes.

18.2.8 Insurances

A Receiver may effect, review or vary insurances.

18.2.9 Borrowing

A Receiver may for the purposes of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

18.2.10 Advance credit

A Receiver may advance credit, in the ordinary course of the Chargor's business, to any person.

18.2.11 Make calls

A Receiver may make, or require the directors of the Chargor to make such calls upon the shareholders of the Chargor in respect of any uncalled capital of the Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of the Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

18.2.12 Compromise, legal action and mediation

A Receiver may:

- (a) 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 any Chargor or relating in any way to any Security Asset;
- (b) bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and
- (c) refer to mediation any question in relation to any Security Asset that he thinks fit.

18.2.13 Subsidiaries

A Receiver may:

- (a) promote the formation of any subsidiary of the Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and
- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

18.2.14 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

18.2.15 Environment

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Trustee or otherwise and comply with all lawful orders and directives relating to Environmental Law.

18.2.16 Mediation

A Receiver may refer to mediation any question in relation to any Security Asset that he thinks fit.

18.2.17 Delegation

A Receiver may delegate his power in accordance with this Deed.

18.2.18 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

18.2.19 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Security Trustee or any Receiver under or by virtue of this Deed or by law;
- (b) exercise every power which the Receiver in its absolute discretion considers desirable for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of the Security created by this Deed or the realisation of any Security Asset;
- (c) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset; and
- (d) use the name of the Chargor for any of the purposes set out in this Clause 18.

18.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

18.4 Powers to be exercisable by the Security Trustee

- 18.4.1 The Security Trustee may exercise all powers granted by the Receiver by this Deed whether as attorney of the Chargor or otherwise.
- 18.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Trustee as provided in Clause 16.3 (*Statutory powers*) or otherwise and so that, inter alia, such powers are and remain exercisable by the Security Trustee in respect of that part of the Secured Assets in respect of which no appointment of a Receiver by the Security Trustee is from time to time subsisting.

18.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

- 18.5.1 the powers conferred on the Receiver by the LPA and those powers listed in Schedule 1 of the Insolvency Act; and
- 18.5.2 the powers conferred by this Clause 18,

the powers conferred by this Clause 18 shall prevail.

19 APPLICATION OF PROCEEDS

19.1 Order of application

Subject to Clause 19.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Trustee pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 19, the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 19), in the following order:

- 19.1.1 in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- 19.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed;
- 19.1.3 in payment to the Security Trustee for application in accordance with clause 19.2 (*Partial payments*) of the Facility Agreement (or, prior to the occurrence of an Acceleration Date, Clause 6 of the Facility Agreement); and
- 19.1.4 the balance (if any) will be applied as required by law.

19.2 Prospective liabilities

Following enforcement of any of the Transaction Security the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under Clause 19.1 (*Order of application*) in respect of:

- 19.2.1 any sum to the Security Trustee, any Receiver or any Delegate; and
- 19.2.2 any part of the Secured Liabilities,
- 19.2.3 that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

19.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 19.1 (*Order of application*) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so

long as the Security Trustee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Trustee's discretion in accordance with the provisions of this Clause 19.3.

19.4 Currency Conversion

19.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Trustee may convert any monies received or recovered by the Security Trustee from one currency to another, at a market rate of exchange.

19.4.2 The obligations of the Borrower to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

19.5 Permitted Deductions

The Security Trustee shall be entitled, in its discretion:

19.5.1 to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and

19.5.2 to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

20 PROTECTION OF PURCHASERS

20.1 No purchaser or other person dealing with any Secured Party shall be bound to enquire:

20.1.1 whether the Secured Liabilities have become due and/or payable;

20.1.2 whether any event has happened upon which any of the powers conferred by this Deed may have arisen or be exercisable or is being properly exercised;

20.1.3 whether any money remains due under the Finance Documents; or

20.1.4 how any money paid to the Security Trustee or to that Receiver is to be applied.

20.2 No purchaser dealing with any Secured Party or the Security is to be concerned to enquire whether any power exercised or purported to be exercised by the Secured Parties has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Secured Parties. Any such sale or dealing is deemed to be

within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

- 20.3 The receipt of any Secured Party shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Security Trustee or any Receiver may do for such consideration, in such manner and on such terms as it thinks fit.

21 LIABILITY OF SECURITY TRUSTEE AND RECEIVER

21.1 Liability

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:

21.1.1 taking possession of or realising all or any part of the Security Assets; or

21.1.2 taking any action permitted by this Deed,

be liable to the Chargor or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, default, omission or misconduct of the Security Trustee, any Receiver or their respective Delegates and sub-delegates in relation to the Security Assets or otherwise.

21.2 Exoneration

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub delegates shall have any duty:

21.2.1 to perform the Chargor's obligations or exercise any rights in relation to any Security Asset;

21.2.2 to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;

21.2.3 to take up any offer in relation to any Security Asset;

21.2.4 the status, propriety or validity of the acts of the Receiver or Security Trustee;

21.2.5 to give any notification to anyone in relation to any Security Asset; or

21.2.6 to take any action to enforce any other person's obligations as regards any Security Asset.

21.3 Protection of the Receiver

The Receiver shall be entitled to all the rights, powers, privileges and immunities which the LPA confers on mortgagees and receivers duly appointed under the LPA.

22 POWER OF ATTORNEY

22.1 The Chargor, by way of security for the performance of its obligations under this Deed, irrevocably and severally appoints the Security Trustee, each Receiver and each of their respective Delegates and sub-delegates to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to:

22.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;

22.1.2 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required or desirable for:

(a) carrying out any obligation imposed on any Chargor by this Deed or any agreement binding on any Chargor to which the Security Trustee is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or (once this Deed has become enforceable) releasing the Security created or intended to be created in respect of the Security Assets); and

(b) enabling the Security Trustee and any Receiver to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by law (including, after the Security constituted by this Deed has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets).

22.1.3 The 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 under this Deed.

22.1.4 The Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 22) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of the Chargor.

23 DELEGATION AND DISCRETION

23.1 Delegation

23.1.1 The Security Trustee and/or any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are conferred and are exercisable by it under this Deed to any person or persons on such terms and conditions as it sees fit.

23.1.2 No such delegation pursuant to this Clause 23 shall preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or a Receiver itself or any subsequent delegation or revocation of such power, authority or discretion.

23.1.3 Neither the Security Trustee nor any Receiver will have any liability to the Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

23.2 Discretion

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

24 EFFECTIVENESS OF SECURITY

24.1 Continuing Security

The Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

24.2 Cumulative rights

The Security created by or pursuant to this Deed and the rights, powers and remedies of the Security Trustee under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Security Trustee may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Security Trustee shall not be obliged before exercising any such rights, powers or remedies:

24.2.1 to make any demand of, or take any action or obtain any judgment in any court against, the Chargor;

24.2.2 to make or file any claim or proof in winding-up or dissolution of the Chargor; or

24.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

24.3 No merger of Security

No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Security Assets shall merge with the Security constituted by this Deed.

24.4 No prejudice

The Security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Security Trustee or by any variation of the terms of the trust upon which the Security Trustee holds the Security created by or pursuant to this Deed or by any other thing which might otherwise prejudice that Security.

24.5 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Finance 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 each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

24.6 Partial invalidity

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

24.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

24.7 Tacking

24.7.1 For the purposes of section 94(1)(c) of the LPA and section 49(3) of the Land Registration Act 2002, the Security Trustee confirms on behalf of the Secured Parties that the Secured Parties will comply with their obligations to make further advances under the Facility Agreement subject to the terms of the Finance Documents.

24.7.2 The Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the charges register of any registered land forming part of the Real Property.

24.8 Further assurance

- 24.8.1 The Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.
- 24.8.2 The Chargor shall promptly, at its own cost, do whatever the Security Trustee reasonably requires:
- (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
 - (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;
 - (c) to facilitate the exercise of any rights, powers and remedies vested in the Security Trustee or any Receiver (or their respective Delegates) by this Deed and/or by the law; and/or
 - (d) (after this Deed has become enforceable) to facilitate the realisation of the Security Assets.
- 24.8.3 In order to satisfy its obligations under sub-clauses 24.8.1 and 24.8.2 above, the Chargor shall immediately, upon the request of the Security Trustee, execute any transfer, conveyance, mortgage, charge, assignment or assurance over all or any of the assets intended to constitute the Security Assets (whether in favour of the Security Trustee or its nominee or otherwise) and make any registration or notarisation and give any notice, instructions, order or direction in respect of the Security Assets.

25 PRIOR SECURITY INTERESTS

- 25.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed, the Security Trustee may redeem such prior Security or procure the transfer of such Security to itself.
- 25.2 The Security Trustee may settle and agree the accounts of the holder of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor.
- 25.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Trustee on demand together with accrued interest on such sums as well as before judgement at the rate from time to time applicable to unpaid sums specified in the Facility Agreement from the time or respective times of the same having been paid or incurred until payment of such sums (as well as after as before judgment).

26 SUBSEQUENT SECURITY INTERESTS

If the Security Trustee receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security or other interest other than as permitted by the Facility Agreement affecting the Security Assets, it may open a new account for the Chargor in its books. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Security Trustee gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Security Trustee will, as from that time, be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

27 SUSPENSE ACCOUNT

27.1 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 Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account in which event, Clause 27.2 (*Suspense account*) shall apply to such proceeds.

27.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the absolute discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

28 RELEASE OF SECURITY

28.1 Upon the occurrence of the Discharge Date and subject always to Clause 28.2, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the security constituted by this Deed and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case without recourse to, or any representation or warranty by, Security Trustee or any of its Delegates.

28.2 Following any discharge of the Chargor made by the Security Trustee in reliance on any payment or security the Security Trustee may retain the security constituted by this Deed (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period

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the Security Trustee may retain the security constituted by this Deed for as long as it sees fit.

29 SET-OFF

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

30 FINANCIAL COLLATERAL

30.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Trustee shall, upon the Security created by this Deed becoming enforceable pursuant to Clause 16.2 and to the extent permitted by the Regulations, have the right to appropriate all or any part of the Security Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Trustee may in its absolute discretion determine.

30.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 30.1 above shall be:

30.2.1 in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;

30.2.2 in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Trustee could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at its spot rate of exchange for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date; or

30.2.3 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, independent valuation or as determined by such other method as the Security Trustee may reasonably select.

30.3 The Parties agree that the method of valuation provided for in this Clause 30 (*Financial collateral*) is commercially reasonable for the purposes of the Regulations.

31 CURRENCY

31.1 Relevant Currency

The Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

31.2 Receipt in wrong currency

If at any time the Security Trustee receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Security Trustee of the amount in the Relevant Currency which the Security Trustee is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at its spot rate of exchange for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date.

31.3 Currency indemnity

31.3.1 If any sum due from the Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against the Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargor shall, as an independent obligation, within three Business Days of demand, indemnify the Security Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of receipt of that Sum.

31.3.2 The Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than in which it is expressed to be payable.

32 PAYMENTS TO BE MADE WITHOUT DEDUCTION

32.1 No deductions

All sums payable by the Chargor under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Security Trustee may designate. All such payments shall be made in full without set-off of any sum owing by the Security Trustee to the Chargor or counterclaim and free and clear of any deductions of or withholding for or on account

of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

32.2 Grossing-up

If at any time the Chargor is required by law to make any deduction or withholding from any payment due from the Chargor to the Security Trustee, the Chargor shall (save to the extent not required by the Facility Agreement) simultaneously pay to the Security Trustee whatever additional amount is necessary to ensure that the Security Trustee receives a net sum equal to the payment it would have received had no deduction or withholding been made.

33 CERTIFICATES AND DETERMINATIONS

A certificate or determination by the Security Trustee or a Receiver of a rate or an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

34 ASSIGNMENT AND TRANSFER

34.1 Chargor consents to assignment/transfer by Security Trustee

The Chargor consents to the assignment and/or transfer by the Security Trustee of any one or more of its rights and/or obligations under this Deed in connection with the disposal of corresponding rights under, and as permitted by, the Facility Agreement.

34.2 No assignment/transfer by Chargor

The Chargor may not assign or transfer any one or more of its rights and/or obligations under this Deed.

34.3 Confidentiality

The Security Trustee shall be entitled to disclose any information concerning the Chargor and this Deed as it considers appropriate to:

34.3.1 any person proposing to take an assignment and/or transfer from the Security Trustee;

34.3.2 any person proposing to enter into contractual relations with the Security Trustee with respect to this Deed; and

34.3.3 any person to whom information may be required to be disclosed by an applicable law.

35 INDEMNITY TO THE SECURITY TRUSTEE

35.1 The Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

- 35.1.1 any failure by the Borrower to comply with its obligations under Clause 36 (*Costs and expenses*);
- 35.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 35.1.3 the taking, holding, protection or enforcement of the Security constituted under this Deed;
- 35.1.4 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee, each Receiver and their Delegate and sub-delegates by this Deed or by law;
- 35.1.5 subject to any limited recourse obligations, any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 35.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or
- 35.1.7 acting as Security Trustee, Receiver or Delegate under this Deed or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or Delegate's gross negligence or wilful misconduct).

36 COSTS AND EXPENSES

36.1 Transaction expenses

The Chargor shall subject to any caps which may be agreed between the Chargor and the Security Trustee or in accordance with the Facility Agreement promptly on demand pay the Security Trustee the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and the Security constituted by this Deed.

36.2 Amendment costs

If the Chargor requests an amendment, waiver or consent in connection with this Deed, the Chargor shall, within three Business Days of demand, reimburse the Security Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Secured Parties in responding to, evaluating, negotiating or complying with that request or requirement.

36.3 Enforcement and preservation costs

The Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed

and any proceedings instituted by or against any Secured Party as a consequence of taking or holding the Security constituted by this Deed or enforcing these rights.

37 MISCELLANEOUS

37.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by the Chargor and the Security Trustee.

37.2 Third party rights

Other than any Secured Party a person who is not a Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

37.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

37.4 Counterparts

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

38 NOTICES

38.1 Communications in writing

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

38.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

38.2.1 in the case of the Security Trustee, that identified by its name below; and

38.2.2 in the case of the Chargor, that notified in writing to the Security Trustee on or prior to the date on which it became a Party,

or any substitute address fax number or department or officer as the Chargor may notify to the Security Trustee (or the Security Trustee may notify to the Chargor, if a change is made by the Security Trustee) by not less than five Business Days' notice.

38.3 Delivery

38.3.1 Any communication or document made or delivered by the Security Trustee to the Chargor under or in connection with this Deed shall only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to the relevant party at that address,

and, in the case of the Security Trustee, if a particular department or officer is specified as part of its address details provided under Clause 38.2 (*Addresses*), if addressed to that department or officer.

38.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer certified in Clause 38.2 (*Addresses*) (or any substitute department or officer as the Security Trustee will specify for this purpose).

38.3.3 Any communication or document which becomes effective, in accordance with Clauses 38.3.1 and 38.3.2 above after 5.00pm in the place of receipt shall be deemed to only become effective on the following day.

38.4 English language

38.4.1 Any notice given under or in connection with this Deed must be in English.

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

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

39 GOVERNING LAW AND JURISDICTION

39.1 Governing law

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

39.2 Jurisdiction of English courts

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

39.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

39.2.3 This Clause 39.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed is executed as a deed by the Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.

EXECUTION PAGES

EXECUTED as a DEED by IRON BRIDGE)
FINANCE CO. LIMITED)
in the presence of:)

Director

Signature of Witness:

Name: MARCUS JAMSON

Address: HOWARD KENNEY LLP NO 3 LOWISON BRIDGE

Occupation: SOLICITOR

Notice details

Address: Iron Bridge House, 3 Bridge Approach, Regents Park Road, London NW1
8BD

Fax: +44 (0)20 7586 2840

Attention: Simon Pollins

SECURITY TRUSTEE

EXECUTED as a **DEED** by **HERITAGE**)
SQUARE LIMITED)
in the presence of:)

Director

Signature of Witness: _____

Name:

Address:

Occupation:

Notice details

Address: Bond Street House, 14 Clifford Street, London W1S 4JU
Fax: +44 (0)20 7408 4051
Attention: Eliot Kaye
Copy to: Daniel Sullivan
 Charles Russell Speechlys LLP
 5 Fleet Place
 London EC4M 7RD

**SCHEDULE 1
- MORTGAGED PROPERTY**

Part 1

Registered Land

[None]

Part 2

Unregistered Land

[None]

SCHEDULE 2
- INSURANCE POLICIES

- 1 Financial institutions crime policy with Chubb Insurance Company of Europe SE
(policy number:)
- 2 Directors and officers liability policy with Chubb Insurance Company of Europe SE
(policy number)
- 3 Bankers professional liability policy with Chubb Insurance Company of Europe SE
(policy number)

SCHEDULE 3
- FORM OF LEGAL MORTGAGE

THIS DEED is dated [REDACTED] between:

- (1) **[INSERT NAME OF CHARGOR]**, a company incorporated in *[insert jurisdiction of incorporation]* whose registered office is at *[insert registered office address]* with company number *[insert company number]* (the "Chargor");
- (2) **[INSERT NAME OF SECURITY TRUSTEE]** a company incorporated in *[insert jurisdiction of incorporation]* whose registered office is at *[insert registered office address]*, with company number *[insert company number]* (the "Security Trustee").

BACKGROUND

The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Debenture means the debenture dated [REDACTED] granted by, amongst others, the Chargor in favour of the Security Trustee;

Facility Agreement means [the **[INSERT AMOUNT]** facility agreement dated **[INSERT DATE]** between, amongst others **[INSERT NAME OF BORROWER]** and the Security Trustee;

Mortgaged Property means any freehold, leasehold or immovable property specified in the Schedule 1(*Mortgaged Property*).

2 CONSTRUCTION

2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.

2.2 The provisions of clause 2.2.1, 2.2.4 to 2.2.12 (inclusive), clause 2.3 to 2.10 (inclusive), clause 2.12 to 2.14, clause 5.1 and 5.2 and clauses 16 to 38 (inclusive) are incorporated into this Deed as if references in those clauses to the Debenture were references to this Deed and if all references in those clauses to Security Asset were references to the Mortgaged Property.

3 UNDERTAKING TO PAY

The Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 All Security created under this Deed:

4.1.1 is created in favour of the Security Trustee;

4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities [except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law]; and

4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Subject to Clause 28 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

4.3 The Chargor charges by way of first legal mortgage all the Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

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

6 FURTHER ADVANCES

The Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The Security Trustee under a facilities agreement dated [] is under an obligation (subject to the terms of that facilities agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of [•] secures those further advances."

7 MISCELLANEOUS

Other than the Secured Parties a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

8 COUNTERPARTS

This Deed may be executed in a number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

9 GOVERNING LAW AND JURISDICTION

9.1 Governing law

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

9.2 Jurisdiction of English courts

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

9.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

9.2.3 This Clause 9.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEED is executed as a deed by the Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date stated at the beginning of this Deed.

EXECUTED as a DEED by [CHARGOR]:)
)
)

Director/Secretary

Fax:

EXECUTED by [•] as SECURITY)
TRUSTEE)
)

EXECUTED as a DEED by [SECURITY)
TRUSTEE]:)
)

Director/Secretary

Fax:

SCHEDULE
Mortgaged Property
Part 1
Registered Land

County and District/London Borough	Description of Property	Title Number
---------------------------------------	-------------------------	--------------

Part 2
Unregistered Land

1 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

SCHEDULE 4

FORM OF NOTICE AND ACKNOWLEDGEMENT FOR ACCOUNT BANK

Part 1

Form of Notice to Account Bank

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: [REDACTED]

Copy to: [Lender details]

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, [REDACTED] (the "Chargor") and [REDACTED] (the "Lender")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge) in favour] of the Lender all our present and future rights and interest in and to account number(s) *[insert details of accounts charged]* in our name (the "**Blocked Account(s)**") together with all money from time to time standing to the credit of that Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Blocked Account, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Blocked Account(s), including sale proceeds and money paid by way of damages, award or judgment made in connection with that Blocked Account(s); and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Blocked Account(s).

We irrevocably instruct and authorise you to:

- 1 credit to the Blocked Account(s) all interest from time to time earned on the sums of money held in the Blocked Account(s);

- 2 deal only with the Lender in relation to the Blocked Account(s) unless you receive written instructions from the Lender to the contrary;
- 3 hold all sums from time to time standing to the credit of the Blocked Account(s) to the order of the Lender;
- 4 comply with the terms of any written notice or instructions (including payment instructions) relating to the Blocked Account(s) or the sums standing to the credit of the Blocked Account(s) from time to time which you may receive from the Lender without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions;
- 5 disclose to the Lender, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Blocked Account(s) and the sums in the Blocked Account(s) as the Lender may from time to time request; and
- 6 send copies of all notices and communications relating to the Blocked Account(s) to the Lender as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Blocked Account(s) and that neither the Lender, any Receiver nor any of their agents will at any time have any liabilities or obligations to you regarding the Blocked Account(s).

We are not permitted, without the Lender's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Blocked Account(s) or to close the Blocked Account(s).

The instructions in this notice may not be revoked or varied without the prior written consent of the Lender.

This notice shall be governed by and construed in accordance with English law.

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Lender officer]** at **[insert address details of Lender]** with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Account Bank

[On the letterhead of the Account Bank]

To: [Lender]

Attention: [REDACTED]

Copy to: [REDACTED]

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, [REDACTED] (the "Chargor") and [REDACTED] (the "Lender")

We confirm receipt from the Chargor of a notice dated [REDACTED] (the "Notice") of the creation of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number(s) ***[insert details of accounts charged]*** held with us in the name of [the Chargor] (the "Blocked Account(s)") together with all money from time to time standing to the credit of that Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 the balance on the Blocked Account(s) as at today's date is £[REDACTED];
- 2 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;
- 3 we have not received notice of the creation of any other assignment or security regarding the Blocked Account(s) or of the creation of any third party interest in the Blocked Account(s) or in the sums of monies held in the Blocked Account(s) or the debts represented by those sums and we will notify you promptly should we receive any such notice;
- 4 we do not have and will not in future create, accept or enforce any security interest or right of set-off or combination or other right in respect of the Blocked Account, the sums of money held in the Blocked Account(s) or the debts represented by those sums; and

5 we will not amend the terms or conditions upon which the Blocked Account(s) is operated or close the Blocked Account(s) without your prior written consent.

This acknowledgment shall be governed by and construed in accordance with English law.

Yours faithfully

.....
for and on behalf of
[insert name of third party bank]

I CERTIFY THAT SAVE FOR
MATERIAL REDACTED PURSUANT
TO SECTION 859G OF THE
COMPANIES ACT 2006 THIS IS A
TRUE COPY OF THE ORIGINAL
INSTRUMENT

Charles Russell Speechlys LLP

Charles Russell Speechlys LLP
5 Fleet Place
London EC4M 7RD

Date: *14 July 2016*

CRS

**Charles Russell
Speechlys**

DATED

11 July

2016

(1) **IRON BRIDGE FINANCE CO. LIMITED**
(as Chargor)

and

(2) **HERITAGE SQUARE LIMITED**
(as Security Trustee)

DEBENTURE

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THIS DEED is dated

11 July

2016

BETWEEN:

- (1) **IRON BRIDGE FINANCE CO. LIMITED**, a company incorporated in England and Wales whose registered office is at 2nd Floor Gadd House, Arcadia Avenue, London, N3 2JU with company number 10192600 (the "**Chargor**");
- (2) **HERITAGE SQUARE LIMITED** a company incorporated in England and Wales whose registered office is at 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ, with company number 08364250 (the "**Security Trustee**").

BACKGROUND:

The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Account Bank	each bank, financial institution or other person with whom an Account is maintained
Accounts	any bank account held by the Chargor from time to time
Administrator	any administrator appointed in respect of the Chargor whether by the Security Trustee, a court or otherwise
Blocked Account(s)	all Accounts in respect of which the Chargor has granted an assignment or fixed charge pursuant to Clause 4.8 (<i>HK Letter and IB Borrower Account</i>) and issued a notice pursuant to Clause 14 (<i>Notices of Assignment and Charge</i>)
Chattels	all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them
Contracts	each of the documents entered into from time to time between the Chargor and any Customer or

	any guarantor
Customer Security	any security, including any guarantees, granted by Customers in favour of the Chargor as security for Customer Loans
Delegate	any delegate, agent, attorney or co-trustee appointed by the Security Trustee and/or any Receiver (as appropriate)
Discharge Date	the date on which all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising
Dividends	all dividends and distributions of any kind, interest and any other income received or receivable in relation to any of the Shares
Environment	<ul style="list-style-type: none"> (a) humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media: (b) air (including, without limitation, air within natural or man-made structures, whether above or below ground); (c) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and (d) land (including, without limitation, land under water).
Environmental Law	<p>any applicable law or regulation which relates to:</p> <ul style="list-style-type: none"> (a) the pollution or protection of the Environment; (b) the conditions of the workplace; or (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any

waste.

Event of Default	any event or circumstance specified as such in clause 15 (<i>Events of Default</i>) of the Facility Agreement
Facility Agreement	the facility agreement dated on or about the date of this Deed between the Chargor (as borrower), Heritage Square Limited (as agent), the Security Trustee and the Original Lenders
Howard Kennedy	Howard Kennedy LLP, a limited liability partnership registered in England and Wales with registered partnership number OC361417, whose registered office is at No. 1 London Bridge, London, SE1 9BG
Insolvency Act	the Insolvency Act 1986
Intellectual Property	<p>(a) all patents, trademarks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and</p> <p>(b) the benefit of all applications, licences and rights to use the assets listed in paragraph (a) above</p>
Investments	the Shares and Dividends
Legal Mortgage	a charge by way of legal mortgage granted by the Chargor in favour of the Security Trustee and in the form of Schedule 3 (<i>Form of Legal Mortgage</i>) in respect of all or any part of the Real Property acquired by the Chargor after the date of this Deed
Lease	any lease or licence or other right of occupation or right to receive rent to which the Real Property may at any time be subject and includes any guarantee of a tenant's obligations under the same
LPA	the Law of Property Act 1925
Monetary	all book and other debts (including without limitation

Claims	all Customer Loans) and monetary claims of any nature and however arising at any time owing to the Chargor or in which it has an interest and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same
Mortgaged Property	any freehold, leasehold or immovable property specified in Schedule 1 (<i>Mortgaged Property</i>) and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage
Party	a party to this Deed
Planning Legislation	any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation
Policies	<ul style="list-style-type: none"> (a) each of the insurance policies described in Schedule 2 (<i>Insurance Policies</i>); (b) each other insurance policy taken out by or on behalf of the Chargor or in respect of which it has an interest or a right to claim; and (c) any other insurance policy designated as a "Policy" by the Security Trustee and the Chargor
Real Property	<ul style="list-style-type: none"> (a) the Mortgaged Property; (b) any other freehold, leasehold or immovable property in which any Chargor has an interest (including, for the avoidance of doubt, an option to purchase any property); and (c) any buildings, erections, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property

	listed in paragraphs (a) above and (b) above
Receiver	a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets
Regulations	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)
Related Rights	as regards any asset, all present and future: <ul style="list-style-type: none"> (a) money and proceeds of any nature paid or payable in relation to the asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that asset; and (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of the Chargor's interest in or ownership or operation of the asset
Relevant Currency	in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated
Relevant Interbank Market	the London interbank market
Secured Liabilities	all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to any Secured Party under each Finance Document
Secured Party	a Finance Party, a Receiver or Delegate
Security	has the meaning given to it in the Facility Agreement
Security Assets	all of the assets which from time to time are, or are expressed to be, the subject to the Security created by or pursuant to this Deed
Settlement System	CREST or any other electronic settlement system; and
Shares	

- (a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by the Chargor or in which it has an interest;
- (b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;
- (c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise.

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Facility Agreement has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 Unless a contrary indication appears, a reference in this Deed to:
 - 2.2.1 a document in **"agreed form"** is a document which is previously agreed in writing by the Chargor and the Security Trustee or, if not so agreed, is in the form specified by the Security Trustee;
 - 2.2.2 **"certificated"** has the meaning given to it in the Uncertificated Securities Regulations 2001;
 - 2.2.3 **"clearance system"** means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depositary for that person;
 - 2.2.4 this Deed, a **"Finance Document"** or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - 2.2.5 a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

- 2.2.6 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- 2.2.7 **"Security Asset", "Accounts", "Chattels", "Contracts", "Intellectual Property", "Investments", "Lease", "Monetary Claims", "Policies" and "Real Property"** includes:
- (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.2.8 **"Secured Liabilities"** is deemed to include a reference to any part of them;
- 2.2.9 the **"Lenders"**, the **"Security Trustee"**, the **"Chargor"**, or any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee or Security Trustees in accordance with the Finance Documents;
- 2.2.10 a provision of law is a reference to that provision as amended or re-enacted;
- 2.2.11 the singular is deemed to include the plural and vice versa; and
- 2.2.12 a time of day is a reference to London time.
- 2.3 The term **"Lenders"** includes any subsidiary or group company or assignee of a Lender granting or continuing to grant facilities or accommodation to the Chargor.
- 2.4 **"receivers"** are references to receivers of whatsoever nature including, without limitation, receivers, managers and administrative receivers.
- 2.5 **"administrators"** are references to administrators appointed under the Insolvency Act and include administrators appointed under the out of court procedure under the Insolvency Act.
- 2.6 Clause and Schedule headings are for ease of reference only.
- 2.7 A **"Default"** (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is **"continuing"** if it has not been remedied or waived.
- 2.8 Any undertaking given by the Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of the Security Trustee.
- 2.9 The terms of the other Finance Documents and of any side letters between any parties to the Facility Agreement in relation to any Finance Document (as the case

may be) are incorporated into this Deed to the extent required to ensure that any purported 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.

- 2.10 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.11 Clauses 4.2 (*Land*) to 4.12 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.12 It is intended that this Deed takes effect as a deed notwithstanding the fact that a party may only execute this Deed under hand.
- 2.13 If the Security Trustee (acting reasonably) considers that an amount paid to it under any Finance Document or in relation to any Secured Liability 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.
- 2.14 In the event of a conflict between the terms of this Deed and the terms of the Facility Agreement, the terms of the Facility Agreement will prevail.

3 UNDERTAKING TO PAY

The Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 Nature of the Security

4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Security Trustee;
- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If the Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) the Chargor shall notify the Security Trustee promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which the Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Security Trustee under this Deed;
- (c) unless the Security Trustee otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed; and

4.1.3 The Chargor shall promptly supply the Security Trustee with a copy of any consent obtained by it.

4.2 Land

The Chargor charges:

4.2.1 by way of a first legal mortgage, all the Mortgaged Property and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use the Mortgaged Property; and

4.2.2 (to the extent that they are not the subject of a mortgage under Clause 4.2.1 above) by way of first fixed charge, all the Real Property and all rights under any licence or other agreement or document which gives such Chargor a right to occupy or use Real Property.

4.3 Chattels

The Chargor charges by way of a first fixed charge all the Chattels owned by it and its interest in any Chattels in its possession.

4.4 Investments

The Chargor charges by way of a first fixed charge all the Shares and Dividends.

4.5 Accounts

4.5.1 The Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights in respect of the Accounts;

- 4.5.2 To the extent that they are not effectively assigned under Clause 4.5.1 above, the Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.6 Monetary Claims

The Chargor charges by way of a first fixed charge all the Monetary Claims.

4.7 Customer Security

The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights in respect of the Customer Security.

4.8 HK Letter and IB Borrower Account

- 4.8.1 The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*) all its rights under the HK Letter and all its rights (if any) in the HK Account and any IB Borrower Account.

- 4.8.2 To the extent that they are not effectively assigned under Clause 4.8.1 above, the Chargor charges by way of first fixed charge all of its rights (if any) and interest under the HK Letter and all of its rights and interest (if any) in and to the HK Account and any IB Borrower Account.

4.9 Contracts

- 4.9.1 The Chargor assigns absolutely, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*), all its rights in respect of:

- (a) the Contracts;
- (b) any letter of credit issued in its favour; and
- (c) any bill of exchange or other negotiable instrument held by it.

- 4.9.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the Chargor charges by way of fixed charge all of its rights and interest in such Contract.

- 4.9.3 To the extent that any contract is not capable of assignment or charge without infringing any provision of such Contract, the Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.10 Insurances

4.10.1 The Chargor assigns absolutely, by way of security, subject to reassignment by the Security Trustee in accordance with Clause 28 (*Release of Security*), all amounts payable to it under or in connection with the Policies and all of its rights in connection with those amounts.

4.10.2 To the extent that they are not effectively assigned under clause 4.10.1 above, the Chargor charges by way of a first fixed charge the relevant amounts and rights described in clause 4.10.1 above.

4.11 Intellectual Property

The Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.12 Miscellaneous

The Chargor charges by way of first fixed charge:

4.12.1 any beneficial interest, claim or entitlement it has in any pension fund;

4.12.2 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;

4.12.3 its goodwill and uncalled capital; and

4.12.4 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset and the right to recover and receive compensation or any other sum payable in relation to any authorisation.

4.13 Floating charge

4.13.1 The Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.

4.13.2 Paragraph 14(2)(a) of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 4.13.1 which is a “qualifying floating charge” for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.14 Crystallisation

4.14.1 The Security Trustee may at any time by notice in writing to the Chargor convert any floating charge created by the Chargor pursuant to Clause 4.13 (*Floating charge*) above into a fixed charge with immediate effect as regards any property or assets specified in the notice if:

- (a) the security constituted by this Deed has become enforceable in accordance with Clause 16 (*Enforcement of Security*); or
- (b) the Security Trustee reasonably considers the applicable Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
- (c) the Security Trustee reasonably considers that it is necessary in order to protect the priority of its Security with respect to the relevant Security Assets.

4.14.2 Notwithstanding Clause 4.14.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.13 (*Floating charge*) will automatically and immediately (without notice) convert into a fixed charge over all of the Chargor's assets if:

- (a) the Chargor creates or attempts to create any Security over any of the Security Assets otherwise than in accordance with the terms of the Facility Agreement;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of the Chargor or a person entitled to appoint an administrator in respect of the Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of the Chargor other than a winding up petition which is stayed within 14 days of commencement.

4.14.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.13 (*Floating charge*) may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

as a preliminary to a creditors voluntary arrangement by an eligible company (as determined under Schedule 1A of the Insolvency Act) under the Insolvency Act.

5 NEGATIVE UNDERTAKINGS

5.1 Negative Pledge

The Chargor shall not create or permit to subsist any Security over any Security Asset other than pursuant to this Deed.

5.2 Disposals

Except as permitted by, and in accordance with the terms of, the Facility Agreement, the Chargor shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of any Customer Loan or any other material asset.

6 REAL PROPERTY

6.1 Acquisitions

6.1.1 If the Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:

- (a) notify the Security Trustee immediately;
- (b) immediately on request by the Security Trustee and at the cost of the Chargor, execute and deliver to the Security Trustee a Legal Mortgage in favour of the Security Trustee (as trustee for the Secured Parties) of that property;
- (c) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
- (d) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

6.1.2 If the consent of the landlord in whom the reversion of a lease is vested is required for the Chargor to execute a Legal Mortgage over it, the Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within 7 days of making the request.

6.2 Notices

The Chargor shall:

6.2.1 promptly give to the Security Trustee full particulars with respect to (and, if requested by the Security Trustee, a copy of) any notice, order, directive, designation, resolution or proposal which applies to any of its Real Property or to the area in which it is situate and which is issued:

- (a) by any planning authority or other public body or authority under or by virtue of any Planning Legislation;
 - (b) pursuant to any law or regulation relating to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
 - (c) pursuant to section 146 of the LPA; or
 - (d) pursuant to some other power conferred by law;
- 6.2.2 without delay and its own cost, make such objections or representations (or join with the Security Trustee in making such objections or representations) against or in respect of any such notice, order, directive, designation, resolution or proposal as the Security Trustee may direct; and
- 6.2.3 take all steps necessary to comply with each such notice, order, directive, designation, resolution or proposal.

6.3 Leases

- 6.3.1 The Chargor shall not grant or agree to grant (whether in exercise, or independently, of any statutory power) any Lease of its Real Property or any licence or consent (whether expressly or by conduct) for assignment, parting with or sharing possession or occupation, underletting, change of use or alterations in relation to any Lease to which any part of its Real Property is subject and nor shall it accept (or agree to accept) any surrender, cancellation, assignment, charge or other disposal of, or agree to vary, any such Lease.
- 6.3.2 The Chargor shall:
- (a) pay the rent reserved by and otherwise perform and observe all covenants, stipulations and obligations on the part of the lessee (and diligently enforce performance of the obligations on the part of the lessor) in respect of any land constituting part of its Real Property;
 - (b) immediately notify the Security Trustee if any Lease in respect of which it is the lessee has or may become subject to determination or to the exercise by the lessor of any right of re-entry or forfeiture and, if so required by the Security Trustee acting reasonably, diligently pursue applications for relief from any such rights of re-entry or forfeiture;
 - (c) if the Security Trustee so requires, serve notice in respect of any fixed charge (as defined in the Landlord and Tenant (Covenants) Act 1995) in the appropriate form on any former tenant under a lease of Real Property or the guarantor of such a tenant;

- (d) in respect of any Lease of which it is the lessee refrain from agreeing any change in the rent reserved by any such Lease without the prior written consent of the Security Trustee; and
- (e) in respect of any Lease of which it is the lessor:
 - (i) implement any provision for the review of any rent reserved by any such Lease and not agree to a change in rent without the prior written consent of the Security Trustee;
 - (ii) not agree to any amendment, waiver, renewal or surrender of such Lease;
 - (iii) exercise any right of re-entry, exercise any option or power to break or determine or commence forfeiture proceedings against any lessee under any such Lease; and
 - (iv) otherwise efficiently manage the premises the subject of each such Lease.

6.4 Obligations

Notwithstanding the operation of Clause 6.3 (*Leases*), the Chargor is and shall remain liable under that Lease and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Lease by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

6.5 Deposit of title deeds

The Chargor shall immediately deposit with the Security Trustee all deeds and documents of title relating to its Real Property and all local land charges, land charge and Land Registry certificates and similar documents received by it or on its behalf.

6.6 Maintenance

The Chargor shall:

- 6.6.1 from time to time on request, furnish to the Security Trustee such information in relation to its Real Property and the Leases to which its Real Property shall be subject as the Security Trustee may require and permit the Security Trustee, its agents, officers and employees free access at all times (and, unless an Event of Default is continuing, on reasonable notice) to view the state and condition of its Real Property without becoming liable to account as mortgagee in possession;
- 6.6.2 keep the Real Property in good repair and condition and decorative order and shall promptly repair any defect or damage affecting its Real Property and, where necessary, replace such items with others of similar quality and value;

- 6.6.3 not, other than in accordance with the terms of the Facility Agreement:
- (a) carry out or permit any demolition, reconstruction or rebuilding of its Real Property or any structural alterations or material change in its use; or
 - (b) sever, unfix or remove any of the fixtures, fittings, plant or machinery (other than its stock in trade and work in progress) on or in its Real Property (except for the purpose and in the course of making necessary repairs to such Real Property or for replacing the same with new or improved models or substitutes);
- 6.6.4 observe and perform all restrictive and other covenants, undertakings, stipulations and obligations affecting any of its Real Property insofar as they are subsisting and capable of being enforced; and
- 6.6.5 duly and diligently enforce all restrictive or other covenants, undertakings, stipulations and obligations benefiting its Real Property and not waive, release or vary (or agree to do so) the obligations of any other party thereto.

6.7 Development

Other than in accordance with the terms of the Facility Agreement, the Chargor shall not carry out or permit to be carried out any Development (as defined in the Town and Country Planning Act 1990) or change, or permit any change in, the user of any Real Property.

6.8 Compliance

The Chargor shall comply with:

- 6.8.1 all laws for the time being in force; and
- 6.8.2 all notices, orders, directives, licences, consents and assurances given or made under any law or regulation by any person,

in each case, insofar as the same relate to its Real Property or the occupation and use of its Real Property.

6.9 Planning

Other than as permitted under the Facility Agreement, the Chargor agrees that it shall:

- 6.9.1 not do anything in relation to any of its Real Property if the doing of such thing would require a consent under any Planning Legislation; and
- 6.9.2 not make any application for or implement any planning permission obtained or enter or agree to enter into any agreement under Section 106 of the Town and Country Planning Act 1990, Section 33 of the Local

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Government (Miscellaneous Provisions) Act 1982 or Section 38 of the Highways Act 1980 or any similar law.

6.10 Investigation of title

The Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of the Chargor to enable the Security Trustee or its lawyers (at the expense of the Chargor) to:

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

6.11 Compensation payments

Subject to the rights and claims of any person having prior rights to such compensation, all monies payable to the Chargor by way of compensation, whether under Section 25 of the Law of Property Act 1969 or under the Landlord and Tenant Acts 1927 to 1954 or otherwise, shall be paid to the Security Trustee (who shall be entitled to give good receipt for such monies) and applied in accordance with Clause 19.1 (*Order of application*) as though they were the proceeds of the enforcement of the security constituted by this Deed, and any monies that may be received by the Chargor shall, pending such payment, be held on trust for the Security Trustee.

6.12 Power to remedy

If the Chargor fails to comply with any of the undertakings contained in this Clause 6, the Chargor shall allow the Security Trustee or its agents and contractors:

- 6.12.1 to enter any part of its Real Property;
- 6.12.2 to comply with or object to any notice served on the Chargor in respect of its Real Property; and
- 6.12.3 to take any action as the Security Trustee may consider necessary or desirable to prevent or remedy the relevant breach or to comply with or object to any such notice.

The Chargor shall immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee and its agents and contractors incurred in connection with any action taken under this sub-clause.

7 INVESTMENTS

7.1 Investments - representations and warranties

The Chargor represents and warrants to the Security Trustee that:

- 7.1.1 it is the sole legal and beneficial owner of the Shares;

- 7.1.2 the Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right and there are no monies or liabilities outstanding in respect of any Share;
- 7.1.3 the articles of association (and any shareholder agreement if applicable) of the company(ies) whose Shares are subject to this Deed (if any) allow for the free and unrestricted transfer of the Shares and Related Rights free from any rights of pre-emption, forfeiture or disenfranchisement and that the company(ies) whose Shares are subject to this Deed are/is not, in any circumstances, entitled to any form of lien upon the Shares; and
- 7.1.4 there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any Shares.

7.2 Deposit of title documents

The Chargor undertakes to deposit with the Security Trustee or the Security Trustee's nominee:

- 7.2.1 on or before execution of this Deed, all share certificates or other documents of title relating to the Shares;
- 7.2.2 immediately upon its acquisition of any Investment or upon the withdrawal of any Investment from any Settlement System, all share certificates and other documents of title relating to that Investment; and
- 7.2.3 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, all share certificates and other documents of title relating to each of such items,

together with stock transfer forms (or other appropriate transfer instruments) signed by the Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Trustee may hold all those certificates, forms and documents until the Discharge Date.

7.3 Completion of transfers

The Security Trustee is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of the Chargor in favour of the Security Trustee or its nominee, using the power of attorney contained in Clause 22 (*Power of attorney*) or otherwise.

7.4 Voting and Dividends

7.4.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) subject to Clause 7.4.1(b) below, the Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that:
 - (i) it does so for a purpose not inconsistent with its obligations under any Finance Document; and
 - (ii) the exercise or failure to exercise those rights does not have an adverse effect on the value of the Investments and does not otherwise prejudice the Security Trustee's interests under this Deed.
- (b) the Chargor is entitled to receive all Dividends/ensure that all Dividends are deposited and held in any Account.

7.4.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Security Trustee will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment as it sees fit in its absolute discretion;
- (b) the Chargor shall comply, or procure compliance with, any directions of the Security Trustee in relation to the exercise of those rights and shall promptly execute and deliver to the Security Trustee all forms of proxy as the Security Trustee may require in connection with the exercise of those rights;
- (c) all Dividends shall be paid or transferred to the Security Trustee (or to its order) and any Dividends received by the Chargor shall be held by the Chargor on trust for the Security Trustee and immediately paid by it to the Security Trustee or to any nominee designated by the Security Trustee. The Security Trustee will be entitled to apply those Dividends in accordance with Clause 19.1; and
- (d) where any Investments are held in a Settlement System, the Chargor shall give all necessary instructions to or via that Settlement System to ensure that Dividends are paid or transferred to the Security Trustee, or its nominee, and that voting rights are exercisable by the Security Trustee in accordance with Clauses 7.4.2(a) and 7.4.2(b) above;

7.4.3

- (a) the Security Trustee may, in its absolute discretion, and without any consent or authority from the Chargor (but providing the Chargor

with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Security Trustee pursuant to Clause 7.4.2(a) above;

- (b) once a notice has been issued by the Security Trustee under Clause 7.4.3(a) above, on and from the date of such notice, the Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares conferred or to be conferred on it pursuant to Clause 7.4.2(a) above or any other provision of this Deed and all such rights shall be exercisable by the Chargor. The Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in Clause 7.4.1(a) above.

7.5 Limited obligations of the Security Trustee

At any time when any Security Assets are registered in the name of the Security Trustee or its nominee, the Security Trustee shall have no duty:

- 7.5.1 to make any payment or to ensure that any dividends, distributions, interest or other monies payable in respect of those Security Assets are duly and promptly paid or received by it or its nominee;
- 7.5.2 to verify that the amounts referred to in Clause 7.5.1 are the correct amounts paid or received;
- 7.5.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, those Security Assets;
- 7.5.4 to perform any obligation of the Chargor in relation to those Security Assets; or
- 7.5.5 to 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.

7.6 Nominee shareholders

If any Investment is registered in the name of a nominee, the Chargor shall on demand, provide to the Security Trustee:

- 7.6.1 an equitable mortgage over such Investment or power of attorney or acknowledgement of rights created by this Deed of such Investment in favour of the Security Trustee in such terms as the Security Trustee may require duly executed by or on behalf of such nominee; and

7.6.2 an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Investment is held. That power of attorney shall appoint the Security Trustee and every Receiver as the attorney of the holder in relation to that Investment and shall be in a form approved by the Security Trustee.

7.7 Acquisition of Shares

Unless permitted by the terms of the Facility Agreement, the Chargor shall not:

7.7.1 acquire or enter into any agreement to acquire, any Shares; and

7.7.2 permit the declaration of or payment of any Dividend.

7.8 Circulars

The Chargor shall promptly deliver to the Security Trustee a copy of every circular, notice, report set of documents received by it or its nominee in connection with the Investments.

7.9 Calls

The Chargor shall pay all calls and other payments due in relation to the Investments. If the Chargor fails to do so, the Security Trustee may pay those calls or other payments on the Chargor's behalf and the Chargor shall immediately on demand reimburse the Security Trustee for any such payment.

7.10 Alteration to rights

The Chargor shall not vary or agree to any variation in voting rights attaching to the Shares and shall not cause or permit any of the Shares to be consolidated, sub-divided or converted.

7.11 Other obligations in respect of Investments

7.11.1 The Chargor shall comply with all requests for information relating to any Investments which is within its actual or imputed knowledge and with which it is required to comply by their articles of association or by any law (including section 793, 820 to 825 of the Companies Act 2006).

7.11.2 The Chargor shall promptly supply a copy to the Security Trustee of any information referred to in Clause 7.11.1.

7.11.3 The Chargor shall comply with all other conditions and obligations assumed by them in respect of any Investment.

8 CHATTELS

8.1 Maintenance

The Chargor shall:

- 8.1.1 keep all its Chattels in good repair, working order and condition;
- 8.1.2 give the Security Trustee such information concerning the location, condition, use and operation of its Chattels as the Security Trustee may reasonably require;
- 8.1.3 permit any persons designated by the Security Trustee to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and
- 8.1.4 not permit any Chattels to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

9 ACCOUNTS

9.1 Undertakings

- 9.1.1 Subject to the terms of the Facility Agreement, the Chargor shall:
 - (a) not open or maintain any account other than the Accounts;
 - (b) except as regards any account maintained with the Security Trustee, deliver to the Security Trustee details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;
 - (c) promptly upon request by the Security Trustee, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and
 - (d) not permit or agree to any variation of the terms and conditions relating to any Account or close any Accounts.

9.2 Operation of the IB Borrower Account

Subject to the terms of the Facility Agreement, the Chargor may not, at any time, withdraw or transfer any sums from an IB Borrower Account.

9.3 Time deposits

If the balance of any Account constitutes a time deposit then, subject to any contrary instructions from the Security Trustee, that time deposit shall be successively redeposited for such periods and on such terms as may from time to time be agreed between the Security Trustee and the Chargor in writing (failing which agreement, for such periods and on such terms as the Security Trustee may in its discretion decide).

10 MONETARY CLAIMS

10.1 Collecting Monetary Claims

The Chargor shall promptly get in and realise all Monetary Claims subject to and in accordance with the Servicing Guidelines and pay the proceeds of such Monetary Claims into the HK Account or an IB Borrower Account or as the Security Trustee may otherwise permit in writing and pending that payment will hold those proceeds on trust for the Security Trustee.

10.2 Dealing with Monetary Claims

The Chargor shall not, without the prior written consent of the Security Trustee, assign or factor any of the Monetary Claims or (other than in accordance with the Servicing Guidelines or as permitted by Clause 14.16 (*Amendments*) of the Facility Agreement) vary any term relating to a Monetary Claim or otherwise discount, release, waive, compound or otherwise deal with any of the Monetary Claims.

10.3 Assignment

The Chargor shall, at the Security Trustee's request after this Deed has become enforceable in accordance with Clause 16, execute a legal assignment of its Monetary Claims in favour of the Security Trustee on such terms as the Security Trustee may require and will sign and deliver written notice of that assignment, in a form acceptable to the Security Trustee, to each debtor which owes or may owe a Monetary Claim and will use all reasonable endeavours to procure that the notice is duly acknowledged by the debtors concerned in accordance with the terms of that assignment and that, following the date of such notice, each such debtor pays such Monetary Claims to the Security Trustee in accordance with the terms of the notice.

11 CONTRACTS

11.1 Contracts - representations and warranties

The Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date, that:

- 11.1.1 subject to the Reservations, each Contract to which it is a party is in full force and effect and constitutes its legal, valid, binding and enforceable obligations;
- 11.1.2 its execution and performance of the Contracts to which it is a party does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument;
- 11.1.3 all payments due to it from any party under the Contracts to which it is a party can be made without withholding or deduction on account of Tax; and

- 11.1.4 there is no prohibition on assignment by it in the Contracts to which it is a party.

11.2 Undertaking

- 11.2.1 The Chargor shall not without the prior written consent of the Security Trustee:

- (a) save as permitted by the Servicing Guidelines or Clause 14.16 of the Facility Agreement amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Contract to which it is a party or terminate such Contract or allow such Contract to lapse (other than where a Contract expires in accordance with its terms and not by reason of default) and shall not do or permit anything to be done which may impair the enforceability of any term of any such Contract;
- (b) take any action which might reasonably be expected to jeopardise the existence or enforceability of any Contract to which it is a party.

- 11.2.2 The Chargor shall:

- (a) promptly perform all its obligations under each Contract to which it is a party;
- (b) subject to the Servicing Guidelines diligently enforce its rights under each Contract to which it is a party;
- (c) inform the Security Trustee immediately if it serves any notice of default, or commences any legal proceeding, or receives any notice of default or of the initiation of any legal proceeding in relation to any Contract to which it is a party;
- (d) supply the Security Trustee with (i) a copy of each Contract to which it is a party and (ii) any other information and copies of any other documents relating to each Contracts to which it is a party which the Security Trustee, or any Receiver, requests.

11.3 Obligations

Notwithstanding the operation of Clause 4.9 (*Contracts*), the Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations under that Contract and exercise all relevant rights and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

12 INSURANCES

12.1 Insurances - representations and warranties

The Chargor represents and warrants to the Security Trustee on each day up to the Discharge Date that:

- 12.1.1 each Policy is in full force and effect and on risk, all premiums payable in relation to the Policies have been paid when due and payable, there are no grounds on which any Policy may be declared void or voidable in whole or in part; and
- 12.1.2 its entry into the Policies does not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding on it.

12.2 Preservation and enforcement of rights

Subject to the terms of the Facility Agreement, the Chargor shall:

- 12.2.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business. All such insurances must be maintained with a reputable independent insurance company or underwriter;
- 12.2.2 perform all its obligations, pay all premiums and other monies payable and diligently enforce all its rights under the Policies and take all action necessary to keep the Policies in full force and effect and otherwise preserve its rights under the Policies (including by way of legal or arbitration proceedings);
- 12.2.3 inform the Security Trustee immediately if it commences any legal proceeding, or receives notice of the initiation of any legal proceeding, in relation to any Policy or if it becomes aware of any Policy becoming void or voidable in whole or in part;
- 12.2.4 supply the Security Trustee with:
 - (a) a copy of each Policy and of each certificate of insurance and cover note relating to each Policy, certified as being true and correct copies by a director of the Chargor; and
 - (b) any other information and copies of any other documents relating to the Policies which the Security Trustee, or any Receiver, requests; and
- 12.2.5 if required by the Security Trustee following the occurrence of an Event of Default use its best efforts to cause each insurance policy or policies relating to the Security Assets to contain (in form and substance reasonably

satisfactory to the Security Trustee) an endorsement naming the Security Trustee as sole loss payee in respect of all claims.

12.3 Amendments and waivers

The Chargor shall not, without the Security Trustee's prior written consent, amend, supplement or waive or agree to the material amendment, supplement or waiver of any material term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

12.4 Default interest

If the Chargor defaults in complying with Clause 12.2 (*Preservation and enforcement of rights*), any Secured Party may effect or renew any such insurance on such terms, in such name(s) and in such amounts as it reasonably considers appropriate, and all monies expended by the Secured Parties in doing so shall be reimbursed by such Chargor to the relevant Secured Parties on demand and shall carry interest from the date of payment by the Secured Parties until reimbursed as the rate specified in clause 9.1 (*Default Interest*) of the Facility Agreement.

13 THE LAND REGISTRY

- 13.1 The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [REDACTED] in favour of [•] referred to in the charges register or [*conveyancer*] or [*specify appropriate details*]."

- 13.2 The Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The lender under a facilities agreement dated [REDACTED] is under an obligation (subject to the terms of that facilities agreement) to make further advances and the debenture referred to in the charges register dated [REDACTED] in favour of [•] secures those further advances."

- 13.3 The Chargor shall not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.

- 13.4 The Chargor shall not permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property.
- 13.5 The Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Security created by or pursuant to this Deed.
- 13.6 The Chargor authorises the Security Trustee and/or any solicitors or other agent acting on behalf of the Security Trustee to complete, execute and deliver on the Chargor's behalf (but at the cost of the Chargor) to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 13.

14 NOTICES OF ASSIGNMENT AND CHARGE

14.1 IB Borrower Account

- 14.1.1 The Chargor shall serve notice of charge in the form of Part 1 of Schedule 4 (*Form of notice to Account Bank*) on the Account Bank with whom the IB Borrower Account is held immediately upon the Chargor opening an IB Borrower Account.
- 14.1.2 The Chargor shall procure that the Account Bank acknowledges any notice by signing and returning to the Security Trustee a letter of acknowledgment substantially in the form of Part 2 of Schedule 4 (*Form of Acknowledgment from Account Bank*) within 7 days of the date of such notice. Any instructions contained in the notice of charge sent by the Chargor pursuant to this Clause may not be revoked by the Chargor or amended without the Security Trustee's prior written consent.

15 POWERS, PROTECTION AND DISCRETIONS OF THE SECURITY TRUSTEE

15.1 Rights and powers etc

All the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed on a Receiver may, after this Security has become enforceable, be exercised by the Security Trustee in respect of the Security Assets whether or not a Receiver has been or is later appointed.

15.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Security Trustee when the Security Trustee is exercising the rights, powers, authorities and discretions conferred on the Security Trustee by this Deed.

15.3 Curing of breaches and covenants

If the Chargor fails to comply with any provision of this Deed, then the Chargor shall allow and hereby authorises the Security Trustee or its nominee to do all such acts and things and take such action on behalf of the Chargor as may be necessary to

secure compliance with that provision without becoming liable as a mortgagee in possession.

15.4 Indemnity

The Chargor shall indemnify the Security Trustee against all losses, costs, charges and expenses incurred by the Security Trustee as a result of the failure by the Chargor to comply with any provision of this Deed and in connection with the exercise by the Security Trustee or its nominee of their respective rights contained in Clause 15.3 (*Curing of breaches and covenants*).

15.5 Expenses so incurred

All monies expended and all costs incurred by the Security Trustee or its nominee in carrying out any of their respective powers and discretions referred to in Clause 15.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Security Trustee or its nominee, shall be secured by this Security and shall be payable on demand by the Chargor to the Security Trustee.

16 ENFORCEMENT OF SECURITY

16.1 Timing

The Security created by this Deed will be immediately enforceable at any time after the occurrence of:

16.1.1 an Event of Default; or

16.1.2 a request being made by the Chargor to the Security Trustee that it exercise any of its powers under this Deed.

16.2 Enforcement

After this Security has become enforceable, the Security Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion:

16.2.1 enforce all or any part of that Security (at any time and in any manner it sees fit);

16.2.2 appoint a Receiver to all or any part of the Security Assets;

16.2.3 appoint one or more persons as an Administrator of the Chargor in accordance with Schedule B1 of the Insolvency Act;

16.2.4 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);

- 16.2.5 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into the name of its nominee;
- 16.2.6 whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;
- 16.2.7 subject to Clause 4.14.3, by written notice to the Chargor convert the floating charge created by Clause 4.13 into a fixed charge as regards any assets specified in that notice;
- 16.2.8 may exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets;
- 16.2.9 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
- (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 19.1 (*Order of application*).

16.3 Statutory powers

- 16.3.1 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.
- 16.3.2 The statutory power of sale or other right of disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.
- 16.3.3 The statutory powers of leasing may be exercised by the Security Trustee at any time on or after this Deed has become enforceable and such powers

are extended by this Deed so as to authorise the Security Trustee may make any lease or agreements for lease, accept surrenders of leases and grant options on such terms as the Security Trustee may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).

16.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "Mortgagor" will include any incumbrancer deriving title under the Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.

16.3.5 The Chargor shall not have, at any time up until the Discharge Date, the power pursuant to section 99 of the LPA to make any Lease in respect of any Real Property without the prior written consent of the Security Trustee unless permitted pursuant to the terms of the Facility Agreement.

16.3.6 The restrictions contained in section 93 and section 103 of the LPA shall not apply to the Security constituted by this Deed.

16.3.7 Each Receiver and the Security Trustee is entitled to all the rights, powers and privileges and immunities conferred by the LPA and the Insolvency Act on mortgagees and Receivers.

16.4 Access on enforcement

16.4.1 At any time after the Security has become enforceable, the Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where any Secured Party reasonably believes a Secured Asset to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

16.4.2 At all times, the Chargor must use its best endeavours to allow any Secured Party access to any premises for the purpose of Clause 16.4.1 (obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

17 RECEIVER

17.1 Appointment of Receiver

17.1.1 After this Deed has become enforceable the Security Trustee may without prior notice, appoint:

(a) any one or more persons to be a Receiver of all or any part of the Security Assets; or

(b) two or more Receivers of separate parts of the Security Assets; or

(c) appoint another person(s) as an additional Receiver(s).

17.1.2 Any appointment under Clause 17.1.1 above may be by deed, under seal or in writing under its hand.

17.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.

17.1.4 At any time, if so requested by the Chargor, without further notice, the Security Trustee may appoint a Receiver to all or any part of the Secured Assets as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

17.2 Statutory powers of appointment

The powers of appointment of a Receiver pursuant to Clause 17.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed), the Insolvency Act or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Security Assets and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.

17.3 Removal

The Security Trustee may from time to time 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 who has been removed for any reason.

17.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) and (8) of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

17.5 Agent of the Chargor

17.5.1 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 LPA. The Chargor is solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

17.5.2 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.

17.5.3 No Receiver shall at any time act as agent for any other Secured Party.

18 POWERS OF RECEIVER

18.1 Statutory powers

18.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of the Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver (or a receiver and manager) appointed under the LPA or the Insolvency Act.

18.1.2 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 Deed individually (and to the exclusion of any other Receiver) or together with any other person appointed or substituted as a Receiver.

18.2 Additional powers

In addition to those powers, rights and discretions set out in Clauses 18.1.1(a) and 18.1.1(b) above, a Receiver shall have the following rights, powers and discretions:

18.2.1 Possession

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

18.2.2 Carry on business

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of the Chargor as he in his discretion may think fit.

18.2.3 Protection of assets

A Receiver may:

- (a) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;

- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Real Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

18.2.4 Employees

- (a) A Receiver may appoint and discharge managers, directors and secretaries for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

18.2.5 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 thinks fit.
- (b) The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

18.2.6 Let, hire or lease

A Receiver may:

- (a) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- (c) exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the Chargor or otherwise.

18.2.7 Registration

A Receiver may use the Chargor's name to effect any registration or election for tax or other purposes.

18.2.8 Insurances

A Receiver may effect, review or vary insurances.

18.2.9 Borrowing

A Receiver may for the purposes of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

18.2.10 Advance credit

A Receiver may advance credit, in the ordinary course of the Chargor's business, to any person.

18.2.11 Make calls

A Receiver may make, or require the directors of the Chargor to make such calls upon the shareholders of the Chargor in respect of any uncalled capital of the Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of the Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

18.2.12 Compromise, legal action and mediation

A Receiver may:

- (a) 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 any Chargor or relating in any way to any Security Asset;
- (b) bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and
- (c) refer to mediation any question in relation to any Security Asset that he thinks fit.

18.2.13 Subsidiaries

A Receiver may:

- (a) promote the formation of any subsidiary of the Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and
- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

18.2.14 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

18.2.15 Environment

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Trustee or otherwise and comply with all lawful orders and directives relating to Environmental Law.

18.2.16 Mediation

A Receiver may refer to mediation any question in relation to any Security Asset that he thinks fit.

18.2.17 Delegation

A Receiver may delegate his power in accordance with this Deed.

18.2.18 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

18.2.19 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Security Trustee or any Receiver under or by virtue of this Deed or by law;
- (b) exercise every power which the Receiver in its absolute discretion considers desirable for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of the Security created by this Deed or the realisation of any Security Asset;
- (c) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset; and
- (d) use the name of the Chargor for any of the purposes set out in this Clause 18.

18.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

18.4 Powers to be exercisable by the Security Trustee

- 18.4.1 The Security Trustee may exercise all powers granted by the Receiver by this Deed whether as attorney of the Chargor or otherwise.
- 18.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Trustee as provided in Clause 16.3 (*Statutory powers*) or otherwise and so that, inter alia, such powers are and remain exercisable by the Security Trustee in respect of that part of the Secured Assets in respect of which no appointment of a Receiver by the Security Trustee is from time to time subsisting.

18.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

- 18.5.1 the powers conferred on the Receiver by the LPA and those powers listed in Schedule 1 of the Insolvency Act; and
- 18.5.2 the powers conferred by this Clause 18,

the powers conferred by this Clause 18 shall prevail.

19 APPLICATION OF PROCEEDS

19.1 Order of application

Subject to Clause 19.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Trustee pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 19, the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 19), in the following order:

- 19.1.1 in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- 19.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed;
- 19.1.3 in payment to the Security Trustee for application in accordance with clause 19.2 (*Partial payments*) of the Facility Agreement (or, prior to the occurrence of an Acceleration Date, Clause 6 of the Facility Agreement); and
- 19.1.4 the balance (if any) will be applied as required by law.

19.2 Prospective liabilities

Following enforcement of any of the Transaction Security the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under Clause 19.1 (*Order of application*) in respect of:

- 19.2.1 any sum to the Security Trustee, any Receiver or any Delegate; and
- 19.2.2 any part of the Secured Liabilities,
- 19.2.3 that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

19.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 19.1 (*Order of application*) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so

long as the Security Trustee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Trustee's discretion in accordance with the provisions of this Clause 19.3.

19.4 Currency Conversion

19.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Trustee may convert any monies received or recovered by the Security Trustee from one currency to another, at a market rate of exchange.

19.4.2 The obligations of the Borrower to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

19.5 Permitted Deductions

The Security Trustee shall be entitled, in its discretion:

19.5.1 to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and

19.5.2 to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

20 PROTECTION OF PURCHASERS

20.1 No purchaser or other person dealing with any Secured Party shall be bound to enquire:

20.1.1 whether the Secured Liabilities have become due and/or payable;

20.1.2 whether any event has happened upon which any of the powers conferred by this Deed may have arisen or be exercisable or is being properly exercised;

20.1.3 whether any money remains due under the Finance Documents; or

20.1.4 how any money paid to the Security Trustee or to that Receiver is to be applied.

20.2 No purchaser dealing with any Secured Party or the Security is to be concerned to enquire whether any power exercised or purported to be exercised by the Secured Parties has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Secured Parties. Any such sale or dealing is deemed to be

within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

- 20.3 The receipt of any Secured Party shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Security Trustee or any Receiver may do for such consideration, in such manner and on such terms as it thinks fit.

21 LIABILITY OF SECURITY TRUSTEE AND RECEIVER

21.1 Liability

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:

21.1.1 taking possession of or realising all or any part of the Security Assets; or

21.1.2 taking any action permitted by this Deed,

be liable to the Chargor or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, default, omission or misconduct of the Security Trustee, any Receiver or their respective Delegates and sub-delegates in relation to the Security Assets or otherwise.

21.2 Exoneration

Neither the Security Trustee, any Receiver nor any of their respective Delegates and sub delegates shall have any duty:

21.2.1 to perform the Chargor's obligations or exercise any rights in relation to any Security Asset;

21.2.2 to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;

21.2.3 to take up any offer in relation to any Security Asset;

21.2.4 the status, propriety or validity of the acts of the Receiver or Security Trustee;

21.2.5 to give any notification to anyone in relation to any Security Asset; or

21.2.6 to take any action to enforce any other person's obligations as regards any Security Asset.

21.3 Protection of the Receiver

The Receiver shall be entitled to all the rights, powers, privileges and immunities which the LPA confers on mortgagees and receivers duly appointed under the LPA.

22 POWER OF ATTORNEY

22.1 The Chargor, by way of security for the performance of its obligations under this Deed, irrevocably and severally appoints the Security Trustee, each Receiver and each of their respective Delegates and sub-delegates to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to:

22.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;

22.1.2 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required or desirable for:

(a) carrying out any obligation imposed on any Chargor by this Deed or any agreement binding on any Chargor to which the Security Trustee is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or (once this Deed has become enforceable) releasing the Security created or intended to be created in respect of the Security Assets); and

(b) enabling the Security Trustee and any Receiver to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by law (including, after the Security constituted by this Deed has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets).

22.1.3 The 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 under this Deed.

22.1.4 The Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 22) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of the Chargor.

23 DELEGATION AND DISCRETION

23.1 Delegation

23.1.1 The Security Trustee and/or any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are conferred and are exercisable by it under this Deed to any person or persons on such terms and conditions as it sees fit.

23.1.2 No such delegation pursuant to this Clause 23 shall preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or a Receiver itself or any subsequent delegation or revocation of such power, authority or discretion.

23.1.3 Neither the Security Trustee nor any Receiver will have any liability to the Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

23.2 Discretion

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

24 EFFECTIVENESS OF SECURITY

24.1 Continuing Security

The Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

24.2 Cumulative rights

The Security created by or pursuant to this Deed and the rights, powers and remedies of the Security Trustee under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Security Trustee may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Security Trustee shall not be obliged before exercising any such rights, powers or remedies:

24.2.1 to make any demand of, or take any action or obtain any judgment in any court against, the Chargor;

24.2.2 to make or file any claim or proof in winding-up or dissolution of the Chargor; or

24.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

24.3 No merger of Security

No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Security Assets shall merge with the Security constituted by this Deed.

24.4 No prejudice

The Security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Security Trustee or by any variation of the terms of the trust upon which the Security Trustee holds the Security created by or pursuant to this Deed or by any other thing which might otherwise prejudice that Security.

24.5 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Finance 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 each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

24.6 Partial invalidity

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

24.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

24.7 Tacking

24.7.1 For the purposes of section 94(1)(c) of the LPA and section 49(3) of the Land Registration Act 2002, the Security Trustee confirms on behalf of the Secured Parties that the Secured Parties will comply with their obligations to make further advances under the Facility Agreement subject to the terms of the Finance Documents.

24.7.2 The Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the charges register of any registered land forming part of the Real Property.

24.8 Further assurance

- 24.8.1 The Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.
- 24.8.2 The Chargor shall promptly, at its own cost, do whatever the Security Trustee reasonably requires:
- (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
 - (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;
 - (c) to facilitate the exercise of any rights, powers and remedies vested in the Security Trustee or any Receiver (or their respective Delegates) by this Deed and/or by the law; and/or
 - (d) (after this Deed has become enforceable) to facilitate the realisation of the Security Assets.
- 24.8.3 In order to satisfy its obligations under sub-clauses 24.8.1 and 24.8.2 above, the Chargor shall immediately, upon the request of the Security Trustee, execute any transfer, conveyance, mortgage, charge, assignment or assurance over all or any of the assets intended to constitute the Security Assets (whether in favour of the Security Trustee or its nominee or otherwise) and make any registration or notarisation and give any notice, instructions, order or direction in respect of the Security Assets.

25 PRIOR SECURITY INTERESTS

- 25.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed, the Security Trustee may redeem such prior Security or procure the transfer of such Security to itself.
- 25.2 The Security Trustee may settle and agree the accounts of the holder of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor.
- 25.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Trustee on demand together with accrued interest on such sums as well as before judgement at the rate from time to time applicable to unpaid sums specified in the Facility Agreement from the time or respective times of the same having been paid or incurred until payment of such sums (as well as after as before judgment).

26 SUBSEQUENT SECURITY INTERESTS

If the Security Trustee receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security or other interest other than as permitted by the Facility Agreement affecting the Security Assets, it may open a new account for the Chargor in its books. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Security Trustee gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Security Trustee will, as from that time, be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

27 SUSPENSE ACCOUNT

27.1 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 Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account in which event, Clause 27.2 (*Suspense account*) shall apply to such proceeds.

27.2 Suspense account

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the absolute discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

28 RELEASE OF SECURITY

28.1 Upon the occurrence of the Discharge Date and subject always to Clause 28.2, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the security constituted by this Deed and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case without recourse to, or any representation or warranty by, Security Trustee or any of its Delegates.

28.2 Following any discharge of the Chargor made by the Security Trustee in reliance on any payment or security the Security Trustee may retain the security constituted by this Deed (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period

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the Security Trustee may retain the security constituted by this Deed for as long as it sees fit.

29 SET-OFF

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

30 FINANCIAL COLLATERAL

- 30.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Trustee shall, upon the Security created by this Deed becoming enforceable pursuant to Clause 16.2 and to the extent permitted by the Regulations, have the right to appropriate all or any part of the Security Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Trustee may in its absolute discretion determine.
- 30.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 30.1 above shall be:
- 30.2.1 in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;
 - 30.2.2 in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Trustee could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at its spot rate of exchange for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date; or
 - 30.2.3 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, independent valuation or as determined by such other method as the Security Trustee may reasonably select.
- 30.3 The Parties agree that the method of valuation provided for in this Clause 30 (*Financial collateral*) is commercially reasonable for the purposes of the Regulations.

31 CURRENCY

31.1 Relevant Currency

The Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

31.2 Receipt in wrong currency

If at any time the Security Trustee receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Security Trustee of the amount in the Relevant Currency which the Security Trustee is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at its spot rate of exchange for such purchase in the Relevant Interbank Market at or about 11:00 a.m. on that date.

31.3 Currency indemnity

31.3.1 If any sum due from the Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against the Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargor shall, as an independent obligation, within three Business Days of demand, indemnify the Security Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of receipt of that Sum.

31.3.2 The Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than in which it is expressed to be payable.

32 PAYMENTS TO BE MADE WITHOUT DEDUCTION

32.1 No deductions

All sums payable by the Chargor under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Security Trustee may designate. All such payments shall be made in full without set-off of any sum owing by the Security Trustee to the Chargor or counterclaim and free and clear of any deductions of or withholding for or on account

of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

32.2 Grossing-up

If at any time the Chargor is required by law to make any deduction or withholding from any payment due from the Chargor to the Security Trustee, the Chargor shall (save to the extent not required by the Facility Agreement) simultaneously pay to the Security Trustee whatever additional amount is necessary to ensure that the Security Trustee receives a net sum equal to the payment it would have received had no deduction or withholding been made.

33 CERTIFICATES AND DETERMINATIONS

A certificate or determination by the Security Trustee or a Receiver of a rate or an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

34 ASSIGNMENT AND TRANSFER

34.1 Chargor consents to assignment/transfer by Security Trustee

The Chargor consents to the assignment and/or transfer by the Security Trustee of any one or more of its rights and/or obligations under this Deed in connection with the disposal of corresponding rights under, and as permitted by, the Facility Agreement.

34.2 No assignment/transfer by Chargor

The Chargor may not assign or transfer any one or more of its rights and/or obligations under this Deed.

34.3 Confidentiality

The Security Trustee shall be entitled to disclose any information concerning the Chargor and this Deed as it considers appropriate to:

34.3.1 any person proposing to take an assignment and/or transfer from the Security Trustee;

34.3.2 any person proposing to enter into contractual relations with the Security Trustee with respect to this Deed; and

34.3.3 any person to whom information may be required to be disclosed by an applicable law.

35 INDEMNITY TO THE SECURITY TRUSTEE

35.1 The Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

- 35.1.1 any failure by the Borrower to comply with its obligations under Clause 36 (*Costs and expenses*);
- 35.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 35.1.3 the taking, holding, protection or enforcement of the Security constituted under this Deed;
- 35.1.4 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee, each Receiver and their Delegate and sub-delegates by this Deed or by law;
- 35.1.5 subject to any limited recourse obligations, any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 35.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or
- 35.1.7 acting as Security Trustee, Receiver or Delegate under this Deed or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or Delegate's gross negligence or wilful misconduct).

36 COSTS AND EXPENSES

36.1 Transaction expenses

The Chargor shall subject to any caps which may be agreed between the Chargor and the Security Trustee or in accordance with the Facility Agreement promptly on demand pay the Security Trustee the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and the Security constituted by this Deed.

36.2 Amendment costs

If the Chargor requests an amendment, waiver or consent in connection with this Deed, the Chargor shall, within three Business Days of demand, reimburse the Security Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Secured Parties in responding to, evaluating, negotiating or complying with that request or requirement.

36.3 Enforcement and preservation costs

The Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed

and any proceedings instituted by or against any Secured Party as a consequence of taking or holding the Security constituted by this Deed or enforcing these rights.

37 MISCELLANEOUS

37.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by the Chargor and the Security Trustee.

37.2 Third party rights

Other than any Secured Party a person who is not a Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

37.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

37.4 Counterparts

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

38 NOTICES

38.1 Communications in writing

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

38.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

38.2.1 in the case of the Security Trustee, that identified by its name below; and

38.2.2 in the case of the Chargor, that notified in writing to the Security Trustee on or prior to the date on which it became a Party,

or any substitute address fax number or department or officer as the Chargor may notify to the Security Trustee (or the Security Trustee may notify to the Chargor, if a change is made by the Security Trustee) by not less than five Business Days' notice.

38.3 Delivery

38.3.1 Any communication or document made or delivered by the Security Trustee to the Chargor under or in connection with this Deed shall only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to the relevant party at that address,

and, in the case of the Security Trustee, if a particular department or officer is specified as part of its address details provided under Clause 38.2 (*Addresses*), if addressed to that department or officer.

38.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer certified in Clause 38.2 (*Addresses*) (or any substitute department or officer as the Security Trustee will specify for this purpose).

38.3.3 Any communication or document which becomes effective, in accordance with Clauses 38.3.1 and 38.3.2 above after 5.00pm in the place of receipt shall be deemed to only become effective on the following day.

38.4 English language

38.4.1 Any notice given under or in connection with this Deed must be in English.

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

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

39 GOVERNING LAW AND JURISDICTION

39.1 Governing law

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

39.2 Jurisdiction of English courts

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

- 39.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 39.2.3 This Clause 39.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed is executed as a deed by the Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date at the beginning of this Deed.

EXECUTION PAGES

EXECUTED as a DEED by IRON BRIDGE)
FINANCE CO. LIMITED)
in the presence of:)

Director

Signature of Witness: _____

Name:

Address:

Occupation:

Notice details

Address: Iron Bridge House, 3 Bridge Approach, Regents Park Road, London NW1
8BD

Fax: +44 (0)20 7586 2840

Attention: Simon Pollins

SECURITY TRUSTEE

**EXECUTED as a DEED by HERITAGE
SQUARE LIMITED**
in the presence of:

)
)
)

Director

Signature of Witness:

Name:

KATE NEATE

Address:

BOND ST HOUSE, W1S 4JU

Occupation:

ASSISTANT

Notice details

Address: Bond Street House, 14 Clifford Street, London W1S 4JU

Fax: +44 (0)20 7408 4051

Attention: Eliot Kaye

Copy to: Daniel Sullivan
Charles Russell Speechlys LLP
5 Fleet Place
London EC4M 7RD

**SCHEDULE 1
- MORTGAGED PROPERTY**

Part 1

Registered Land

[None]

Part 2

Unregistered Land

[None]

SCHEDULE 2
- INSURANCE POLICIES

- 1 Financial institutions crime policy with Chubb Insurance Company of Europe SE
(policy number i)
- 2 Directors and officers liability policy with Chubb Insurance Company of Europe SE
(policy number)
- 3 Bankers professional liability policy with Chubb Insurance Company of Europe SE
(policy number)

**SCHEDULE 3
- FORM OF LEGAL MORTGAGE**

THIS DEED is dated [REDACTED] between:

- (1) **[INSERT NAME OF CHARGOR]**, a company incorporated in **[insert jurisdiction of incorporation]** whose registered office is at **[insert registered office address]** with company number **[insert company number]** (the "**Chargor**");
- (2) **[INSERT NAME OF SECURITY TRUSTEE]** a company incorporated in **[insert jurisdiction of incorporation]** whose registered office is at **[insert registered office address]**, with company number **[insert company number]** (the "**Security Trustee**").

BACKGROUND

The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Debenture	means the debenture dated [REDACTED] granted by, amongst others, the Chargor in favour of the Security Trustee;
Facility Agreement	means [the [INSERT AMOUNT] facility agreement dated [INSERT DATE] between, amongst others [INSERT NAME OF BORROWER] and the Security Trustee;
Mortgaged Property	means any freehold, leasehold or immovable property specified in the Schedule 1 (<i>Mortgaged Property</i>).

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clause 2.2.1, 2.2.4 to 2.2.12 (inclusive), clause 2.3 to 2.10 (inclusive), clause 2.12 to 2.14, clause 5.1 and 5.2 and clauses 16 to 38 (inclusive) are incorporated into this Deed as if references in those clauses to the Debenture were references to this Deed and if all references in those clauses to Security Asset were references to the Mortgaged Property.

3 UNDERTAKING TO PAY

The Chargor covenants with the Security Trustee, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

4.1 All Security created under this Deed:

4.1.1 is created in favour of the Security Trustee;

4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities [except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law]; and

4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Subject to Clause 28 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

4.3 The Chargor charges by way of first legal mortgage all the Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

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

6 FURTHER ADVANCES

The Chargor consents to an application being made to the Land Registry for a notice in the following terms to be entered on the Register of Title relating to any Real Property registered at the Land Registry:

"The Security Trustee under a facilities agreement dated [] is under an obligation (subject to the terms of that facilities agreement) to make further advances and the debenture referred to in the charges register dated [] in favour of [●] secures those further advances."

7 MISCELLANEOUS

Other than the Secured Parties a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

8 COUNTERPARTS

This Deed may be executed in a number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

9 GOVERNING LAW AND JURISDICTION

9.1 Governing law

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

9.2 Jurisdiction of English courts

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

9.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

9.2.3 This Clause 9.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEED is executed as a deed by the Chargor and is signed for and on behalf of the Security Trustee and is delivered and takes effect on the date stated at the beginning of this Deed.

EXECUTED as a DEED by [CHARGOR]:

)
)
)

Director/Secretary

Fax:

EXECUTED by [•] as SECURITY)
TRUSTEE)

11

EXECUTED as a **DEED** by **[SECURITY)**
TRUSTEE]: **)**

11

Director/Secretary

Fax:

SCHEDULE

Mortgaged Property

Part 1

Registered Land

County and District/London Borough	Description of Property	Title Number
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Part 2

Unregistered Land

1 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

SCHEDULE 4

FORM OF NOTICE AND ACKNOWLEDGEMENT FOR ACCOUNT BANK

Part 1

Form of Notice to Account Bank

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: [REDACTED]

Copy to: [Lender details]

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, [REDACTED] (the "Chargor") and [REDACTED] (the "Lender")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge) in favour] of the Lender all our present and future rights and interest in and to account number(s) [*insert details of accounts charged*] in our name (the "**Blocked Account(s)**") together with all money from time to time standing to the credit of that Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Blocked Account, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Blocked Account(s), including sale proceeds and money paid by way of damages, award or judgment made in connection with that Blocked Account(s); and
- (b) all rights and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Blocked Account(s).

We irrevocably instruct and authorise you to:

- 1 credit to the Blocked Account(s) all interest from time to time earned on the sums of money held in the Blocked Account(s);

- 2 deal only with the Lender in relation to the Blocked Account(s) unless you receive written instructions from the Lender to the contrary;
- 3 hold all sums from time to time standing to the credit of the Blocked Account(s) to the order of the Lender;
- 4 comply with the terms of any written notice or instructions (including payment instructions) relating to the Blocked Account(s) or the sums standing to the credit of the Blocked Account(s) from time to time which you may receive from the Lender without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions;
- 5 disclose to the Lender, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Blocked Account(s) and the sums in the Blocked Account(s) as the Lender may from time to time request; and
- 6 send copies of all notices and communications relating to the Blocked Account(s) to the Lender as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Blocked Account(s) and that neither the Lender, any Receiver nor any of their agents will at any time have any liabilities or obligations to you regarding the Blocked Account(s).

We are not permitted, without the Lender's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Blocked Account(s) or to close the Blocked Account(s).

The instructions in this notice may not be revoked or varied without the prior written consent of the Lender.

This notice shall be governed by and construed in accordance with English law.

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Lender officer]** at **[insert address details of Lender]** with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Account Bank

[On the letterhead of the Account Bank]

To: [Lender]

Attention: [REDACTED]

Copy to: [REDACTED]

Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between, amongst others, [REDACTED] (the "Chargor") and [REDACTED] (the "Lender")

We confirm receipt from the Chargor of a notice dated [REDACTED] (the "Notice") of the creation of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number(s) **[insert details of accounts charged]** held with us in the name of [the Chargor] (the "**Blocked Account(s)**") together with all money from time to time standing to the credit of that Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 the balance on the Blocked Account(s) as at today's date is £[REDACTED];
- 2 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;
- 3 we have not received notice of the creation of any other assignment or security regarding the Blocked Account(s) or of the creation of any third party interest in the Blocked Account(s) or in the sums of monies held in the Blocked Account(s) or the debts represented by those sums and we will notify you promptly should we receive any such notice;
- 4 we do not have and will not in future create, accept or enforce any security interest or right of set-off or combination or other right in respect of the Blocked Account, the sums of money held in the Blocked Account(s) or the debts represented by those sums; and

5 we will not amend the terms or conditions upon which the Blocked Account(s) is operated or close the Blocked Account(s) without your prior written consent.

This acknowledgment shall be governed by and construed in accordance with English law.

Yours faithfully

.....
for and on behalf of
[insert name of third party bank]