Companies House

MR01(ef)

Registration of a Charge

Company name: **SUTURA GROUP LIMITED**

Company number: **10942811**

Received for Electronic Filing: **19/10/2018**

X7GWSLHL

Details of Charge

Date of creation: **15/10/2018**

Charge code: **1094 2811 0002**

Persons entitled: **BARCLAYS SECURITY TRUSTEE LIMITED**

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: **BARCLAYS SECURITY TRUSTEE LIMITED**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10942811

Charge code: 1094 2811 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th October 2018 and created by SUTURA GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th October 2018 .

Given at Companies House, Cardiff on 23rd October 2018

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

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Case Reference No. BPM/8215531/REP/SPO

BARCLAYS

The Chargors listed in Schedule 1
(the ***Chargors***)

and

Barclays Bank UK PLC
(***BBUK***)

Barclays Bank PLC
(***BBPLC***)

Barclays Mercantile Business Finance Limited
(***BMBF***)

Barclays Security Trustee Limited
(the ***Security Trustee***)

and

Barclays Bank UK PLC
(the ***Barclays Account Bank***)

DEBENTURE AND CROSS GUARANTEE

DATED 15/10/2018

[NOTE: PLEASE INSERT DATE OF EXECUTION BY FINAL SIGNATORY IN MANUSCRIPT]

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IMPORTANT – PLEASE READ THIS NOTE BEFORE THIS DEBENTURE IS EXECUTED

This Debenture is an important legal document. We strongly recommend that you seek the advice of your solicitor or other legal adviser before executing this Debenture.

- This is a Debenture including fixed charges over the assets referred to in Clause 4.2 (*Fixed charges*), an assignment of the rights and assets referred to in Clause 4.3 (*Assignment*) and a floating charge over all of the other assets and undertaking of each Chargor in Clause 4.4 (*Floating charges*).

- The Security Trustee will hold this Debenture as security for all debts and other liabilities owed to one or more of the Secured Parties by each Chargor including under the agreement to pay contained in Clause 3 (*Agreement to pay*). This includes all present and future loans or facilities that each of the Finance Parties has granted or may in the future grant.

- The guarantees created by this Debenture will be deemed to be granted by each Chargor (on a joint and several basis) in favour of each Finance Party separately, as if a separate guarantee instrument were entered between the Chargors and each Finance Party individually. The terms of each such guarantee are set out in Schedule 3 (*Waiver of Defences and Deferral of Rights*) to this Debenture. Note that each Chargor agrees to indemnify (meaning for the avoidance of doubt, that the Chargor is required to fully reimburse) each Finance Party on the terms set out in Clause 3.2(c) (*Agreement to pay*) (in the event the obligations guaranteed by it are or become unenforceable, invalid or illegal).

- Your liabilities under this Debenture will include any liabilities owed under any guarantee or indemnity which you have given to or may give to any of the Secured Parties in the future.

- If any of the debts or liabilities secured or guaranteed by this Debenture are not paid when due, the Security Trustee can appoint a receiver, or take possession of the property and any of the assets charged by this Debenture and sell them and can appoint an administrator in relation to each Chargor.

- This Debenture is separate from and not limited by any other security or guarantee which you may have already given or may give to any one or more of the Secured Parties in the future.

IF A COMPANY/LLP INCORPORATED IN ENGLAND AND WALES EXECUTES THIS DEBENTURE, ALL PARTIES UNDERSTAND THAT THIS DOCUMENT (INCLUDING ANY ATTACHMENTS) WILL BE AVAILABLE FOR INSPECTION BY ANY PERSON AT COMPANIES HOUSE.

Barclays is a trading name of Barclays Bank PLC. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London, E14 5HP.

Barclays Business is a trading name of Barclays Bank UK PLC. Barclays Bank UK PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 759676). Registered in England. Registered No. 9740322. Registered office: 1 Churchill Place, London E14 5HP.

Barclays Security Trustee Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register No. 783115). Registered in England. Registered No. 10825314. Registered office: 1 Churchill Place, London E14 5HP.

Barclays Mercantile Business Finance Limited. Registered in England with company number 00898129 and registered office at 1 Churchill Place, London E14 5HP. Barclays Mercantile Business Finance Limited is an administrative agent of Barclays Bank PLC. Barclays Mercantile Business Finance Limited is an appointed representative of Barclays Bank PLC which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England with company number 01026167 and registered office at 1 Churchill Place, London E14 5HP.

THIS DEED is made on the date specified on the front page of this Deed.

BY:

(1) The entities listed in Schedule 1 (*The Parties*) to this Deed including the Agent (each a ***Chargor*** and together the ***Chargors***);

(2) **Barclays Bank UK PLC** (Company Number 09740322) of 1 Churchill Place, London E14 5HP (***BBUK***);

(3) **Barclays Bank PLC** (Company Number 01026167) of 1 Churchill Place, London E14 5HP (***BBPLC***);

(4) **Barclays Mercantile Business Finance Limited** (Company Number 00898129) of 1 Churchill Place, London E14 5HP (***BMBF***);

(5) **Barclays Security Trustee Limited** (Company Number 10825314) of 1 Churchill Place, London E14 5HP, acting in its capacity as security trustee for and on behalf of the Secured Parties (the ***Security Trustee***); and

(6) **Barclays Bank UK PLC** (Company Number 09740322) of 1 Churchill Place, London E14 5HP (the ***Barclays Account Bank***).

IT IS AGREED as follows

1. **DEFINITIONS AND INTERPRETATION**

Definitions

1.1 In this Deed, each of the following expressions has, except where the context otherwise requires, the meaning shown opposite it:

Accession Deed means a deed of accession in a form and substance satisfactory to the Security Trustee and substantially in the form set out in Schedule 2 (*Form of Accession Deed*) by which a person will become a party to this Deed as a Chargor;

Accounts means each of the accounts opened or maintained by each Chargor with any bank, building society, financial institution or other person (other than the Barclays Account Bank) (the ***Assigned Accounts***) and each of the accounts opened or maintained by each Chargor with the Barclays Account Bank (the ***Fixed Charge Accounts***) from time to time (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby;

Additional Chargor means a company or limited liability partnership which grants security in favour of the Security Trustee by executing an Accession Deed;

Agent means the Chargor identified in Schedule 1 (*The Parties*) as the Agent;

Assets means all of a Chargor's undertaking, property, assets, rights, interests and revenues, whatever and wherever in the world, present and future, and includes each or any of them;

Authorised Address means the last address given to the Security Trustee for a Chargor's place of business (or any one of them if more than one) or registered office;

Authority means the United Nations Security Council, the Commission of the European Union, Her Majesty's Treasury, the Office of Foreign Assets Control of the United States Department of the Treasury, or any other United States government entity;

Barclays Group means Barclays PLC and any of its direct or indirect Subsidiaries;

Default Rate means:

(a) the default interest rate set out in the document under which the relevant liability for the overdue amount initially arose; or

(b) if no default interest rate is set out in such document, a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant Secured Party (as certified by it) if it were to fund or of funding the relevant amount plus 2 per cent. per annum;

Delegate means a delegate or sub-delegate appointed pursuant to Clause 26 (*Discretion and delegation*);

Deposit means all sums deposited or to be deposited in each Account, together with all other rights and benefits accruing to or arising in connection with each Account (including, but not limited to, entitlements to interest), together with all accrued interest, wherever deposited;

Environmental Approvals means all consents of any kind relating to Environmental Laws, to which a Chargor or the Land or the use or occupation of the Land is subject;

Environmental Claims means any claim by any person in respect of losses or liabilities, suffered or incurred by that person, as a result of or in connection with any violation of Environmental Laws or Environmental Approvals or giving rise to any remedy or penalty that may be enforced or assessed by private or public legal action as a result of Environmental Contamination or any application for any interim or final judicial or administrative decree, injunction, cease and desist order, abatement order, compliance order, consent order, clean-up order or enforcement notice, stop notice, improvement notice, prohibition notice or revocation order in respect of Environmental Contamination or any other remedial action or action to comply that a Chargor is obliged to undertake pursuant to Environmental Laws in respect of Environmental Contamination;

Environmental Contamination means the following and their consequences:

(c) any release, leakage or spillage at or from any site owned or occupied by a Chargor into any part of the environment of any toxic, poisonous, noxious or polluting matter or hazardous, detrimental or dangerous substances or thing;

(d) any accident, fire, explosion or sudden event which affects the environment and is attributable to the operation, management or control of any site occupied by a

Chargor, including (without limitation) the storage, keeping, handling, labelling or disposal of waste (as defined in the Environmental Protection Act 1990) or hazardous, toxic or dangerous substances; and

(e) any designation of Land as contaminated land for the purposes of Part IIA of the Environmental Protection Act 1990;

Environmental Laws includes all or any laws, statutes, rules, regulations, treaties, directives, bye-laws, directions, codes of practice, circulars, guidance notes, orders, notices, demands, decisions of the courts of any authority or any other body whatsoever having jurisdiction which at any time relate to the environment or Environmental Contamination or standards of conduct applicable to the Land or the occupation or use of the Land or the operation of any business from or using the Land;

Finance Parties means BBUK, BBPLC and BMBF;

Floating Charge Assets means those of the Assets that are for the time being comprised in the floating charge created by Clause 4.4 (*Floating charges*) (or in the equivalent provision in the Accession Deed) but only insofar as concerns that floating charge;

Insurance Contracts means all insurance and assurance contracts and policies now or in the future held by or otherwise benefiting a Chargor:

(f) which relate to Assets themselves subject to a fixed charge in favour of the Security Trustee; or

(g) which are now or in the future deposited by that Chargor with the Security Trustee;

Intellectual Property Rights means patents (including supplementary protection certificates), trade marks, service marks and designs (and any applications for any of them), utility models, design rights, copyright, database rights and rights, title, interest and benefits in respect of domain names, logo, get-up, computer software, brand and trade names, know-how, confidential information, inventions, moral rights, trade secrets and rights in passing off and all other intellectual property rights and interests (whether registered or unregistered) and all rights under any agreements relating to the use or exploitation of any such rights (including for the avoidance of doubt the right to receive revenue or royalties) and, in each case, any extensions or renewals of, and any applications for, these rights;

Land includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land including trade and tenant's fixtures and fittings (but excluding, in the case of leasehold property, landlord's fixtures) and fixed plant and machinery;

Notice of Account Security means a notice of security in substantially the form as set out in Schedule 4 (*Form of Notice of Security to Account Bank*) or in such form as may be specified by the Security Trustee;

Property Agreement means all present and future agreements, contracts, options or undertakings for or in relation to the creation of any estate, interest or right in or over the Land

(including, without limitation, in relation to any lease, licence, tenancy or right to occupy whether on a fixed term or periodic basis);

Receivables means all sums of money receivable by a Chargor now or in the future consisting of or payable under or derived from any Asset referred to in Clause 3 (*Agreement to pay*) (or any Asset referred to in the equivalent provision in the Accession Deed);

Receiver means a receiver and manager or a receiver and the term shall include any of their delegates or sub-delegates;

Rental Income means the gross rents, licence fees and other monies receivable now or hereafter, at any time by a Chargor in respect of or arising out of any lease of the Land or any agreement for lease or licence or otherwise without limitation derived by a Chargor from the Land or otherwise paid to or received by a Chargor in respect of the Land;

SDN List means the Specially Designated Nationals List maintained by the Office of Foreign Assets Control of the US Department of the Treasury, or any similar list maintained by any Authority;

Secured Obligations means all money, obligations and liabilities now or at any time in the future due, owing or incurred in any manner whatsoever by each Chargor to the Security Trustee (whether in its personal capacity or as security trustee for the Secured Parties) or to any of the other Secured Parties whether actually or contingently, whether directly or indirectly, whether solely or jointly with any other person and whether as principal or surety, including, without limitation, all interest, discount, commission, fees, charges and expenses and together with any matters relating to or arising in respect of those moneys, obligations and liabilities;

Secured Parties means

(h) the Security Trustee;

(i) the Finance Parties; and

(j) any Receiver and/or any Delegate;

Security Assets means all Assets of a Chargor or any of them which are the subject of any security created or expressed to be created by or pursuant to this Deed;

Securities means all stocks, shares, debentures, debenture stock, loan stock, bonds and securities issued by any person (other than a Chargor) and all other investments (as listed in Part II of Schedule 2 to the Financial Services and Markets Act 2000) including all rights and benefits arising and all money payable in respect of them, whether by way of conversion, redemption, bonus, option, dividend, interest or otherwise (including in all subsidiary undertakings or the certificates for which are now or in the future deposited with or to the order of the Security Trustee or which if uncertificated are held in an escrow or other account in the favour of the Security Trustee or held in the Security Trustee's name or in the name of a nominee to the order of the Security Trustee);

Security Interest means any mortgage, charge, pledge, lien, assignment, encumbrance, right of set off or security interest whatsoever, howsoever created or arising or any other agreement, arrangement or court order having substantially the same economic effect as the foregoing;

Security Period means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all facilities made available by each of the Finance Parties to each Chargor have been cancelled;

Set off Amount has the meaning given to it in Clause 25.1 (*Set off*);

Subsidiary means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006; and

Transferee has the meaning given to it in Clause 27.1 (*Transfer and disclosure*).

1.2 **Interpretation**

(a) In this Deed, except where the context otherwise requires:

(i) references to the Secured Parties (including references to the Security Trustee and the Finance Parties) include references to any of their respective nominees, agents, Delegates, successors in title and permitted assigns and transferees and references to a Chargor include references to their respective successors in title and permitted assigns and transferees;

(ii) unless otherwise indicated, references to the Security Trustee mean the Security Trustee acting in its capacity as security trustee for and on behalf of the Secured Parties;

(iii) ***winding up*** includes any winding up, reconstruction, administration, dissolution, liquidation, bankruptcy and any analogous procedure or step under any applicable law;

(iv) if a Chargor consists of more than one entity, the liability of each such entity shall be joint and several and the terms of this Deed shall be construed accordingly;

(v) a Chargor means an original Chargor and/or an Additional Chargor;

(vi) references to any deed, instrument, certificate, agreement or contract (including this Deed) or a provision thereof shall be construed as a reference to that deed, instrument, certificate, agreement or contract or provision as from time to time varied, novated, amended, supplemented or replaced (however fundamentally);

(vii) expressions importing the singular shall include the plural and vice versa and words denoting any gender include all genders;

(viii) references to any statute or other legislative provision shall include any statutory or legislative modification, re-enactment or any substitution of such statute or provision and, where applicable, any equivalent statute or legislation in another jurisdiction;

(ix) a time of day is a reference to London time; and

(x) references to a person shall be construed as a reference to any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality).

(b) The headings in this Deed are for ease of reference only and shall not affect its interpretation.

(c) This Deed and each Accession Deed (if any) shall be read together and construed as one instrument so that all references in this Deed to "this Deed" shall be deemed to include, where the context so requires, each Accession Deed which has from time to time been entered into by Additional Chargors and all references in this Deed to any "Security created by this Deed" or "Security created pursuant to this Deed" shall be deemed to include any Security created by or pursuant to each such Accession Deed, and all the powers and rights conferred on the Security Trustee and any Receiver or Delegate in relation to the security created by this Security shall extend and apply to the Security created by each such Accession Deed.

2. SECURED PARTIES

Each party agrees that the Security Trustee's interests and rights under and in respect of this Deed shall be held by the Security Trustee on trust for and on behalf of the Secured Parties.

3. AGREEMENT TO PAY

3.1 Each Chargor, as primary obligor and not merely as surety, covenants with the Security Trustee that it will pay or discharge on demand the Secured Obligations on the date(s) on which such Secured Obligations are expressed to become due and in the manner provided for in the document under which liability for such Secured Obligations arises.

3.2 Each Chargor unconditionally and irrevocably and jointly and severally:

(a) guarantees to each Finance Party punctual performance of all of each other Chargor's payment obligations to each Finance Party;

(b) undertakes to each Finance Party that whenever another Chargor does not pay any part of the Secured Obligations when due to the relevant Finance Party, it shall immediately on demand pay that amount (in whatever currency denominated) as if it was the principal obligor; and

(c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify each Finance Party immediately on demand against any cost, claims, charges, expenses, losses or liability it incurs as a result of another Chargor not paying any or part of the Secured Obligations which would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by a Chargor under this indemnity (meaning for the avoidance of doubt, that a Chargor is required to fully reimburse the relevant Finance Party) will not exceed the amount it would have had to pay under this Deed if the amount claimed had been recoverable on the basis of a guarantee.

3.3 The covenants and obligations contained in Clause 3.1 (*Agreement to pay*) and Clause 3.2 (*Agreement to pay*) are given subject to, and with the benefit of, the provisions set out in Schedule 3 (*Waiver of Defences and Deferral of Rights*) by each of the Chargors jointly and severally.

3.4 Default interest on the Secured Obligations, shall accrue in respect of any overdue amount from its due date or, in the case of any cost, charge, loss, liability, expense and other amount referred to in Clause 24 (*Expenses and Indemnities*) from the date such amount was expended, paid or debited on account by the Security Trustee or any other Secured Party (without the necessity of any demand being made for payment thereof), in each case, up to the date of actual payment (both before and after judgment) at the Default Rate. Any default interest accruing under this paragraph shall be immediately payable by that Chargor on demand by the Security Trustee or any other Secured Party. Unless otherwise agreed, such default interest (if unpaid) will be compounded with the relevant overdue amount or cost, charge, loss, liability, expense and other amount referred to in Clause 24 (*Expenses and Indemnities*) on a monthly basis but will remain immediately due and payable.

4. CHARGES

4.1 General

All security created by a Chargor under this Clause 4 is:

(a) continuing security for the payment and discharge of the Secured Obligations;

(b) granted with full title guarantee;

(c) granted in respect of all the right, title and interest (if any), present and future of that Chargor in and to the relevant Security Asset; and

(d) granted in favour of the Security Trustee to hold on trust for and on behalf of the Secured Parties.

4.2 Fixed charges

Each Chargor charges by way of first fixed charge:

(a) all Land in England and Wales now vested in it and not registered at the Land Registry;

(b) all Land in England and Wales now vested in it and registered at the Land Registry;

(c) all other Land which is now, or in the future becomes, its property;

(d) (to the extent that they are not Land) all plant, machinery, computers, vehicles, office or other equipment now or in the future owned by it and its interest in any plant, machinery, computers, vehicles, office or other equipment in its possession (but excluding any for the time being part of its stock-in-trade or work-in-progress) and the benefit of all contracts, licences and warranties relating to them;

(e) (to the extent not validly and effectively assigned pursuant to Clause 4.3(a) (*Assignment*) below) all Rental Income and the benefit to that Chargor of all other rights and claims to which that Chargor is now or may in the future become entitled in relation to the Land, including (but not limited to) all rights and claims of that Chargor against all persons who now are or have been or may become lessees, sub-lessees, licensees or occupiers of any Land and all chargors and sureties for the obligations of such persons;

(f) all Securities;

(g) the Insurance Contracts together with all rights and interest in the Insurance Contracts (including the benefit of all claims arising and, to the extent not validly and effectively assigned pursuant to Clause 4.3(f) (*Assignment*) below, all monies payable under them);

(h) all of its present and future goodwill;

(i) all of its present and future uncalled capital;

(j) all of its present and future Intellectual Property Rights;

(k) all trade secrets, confidential information and know-how owned or enjoyed by it now or in the future in any part of the world;

(l) all other debts now or in the future owing to it save for those arising on fluctuating accounts with associates (as defined in section 345 of the Companies Act 2006);

(m) all of its present and future right, title, benefit and interest in and to each Fixed Charge Account and each related Deposit; and

(n) the benefit of all instruments, guarantees, charges, pledges and other rights now or in the future available to it as security in respect of any Asset itself subject to a fixed charge in favour of the Security Trustee.

4.3 **Assignment**

Each Chargor assigns and agrees to assign all of its right, title, estate and other interests in and to:

(a) the Rental Income and the benefit to that Chargor of all other rights and claims to which that Chargor is now or may in the future become entitled in relation to the Land including (but not limited to) all rights and claims of that Chargor against all persons who now are or have been or may become lessees, sub-lessees, licensees or occupiers of any Land and all chargors and sureties for the obligations of such persons;

(b) the benefit of all guarantees, warranties and representations given or made by and any rights or remedies against all or any professional advisors now or at any time engaged by that Chargor in relation to any Land and the manufacturers, suppliers or installers of all plant, machinery, fixtures, fittings and other equipment now or from time to time in the buildings erected or to be erected on any Land and any other person, firm or company now or from time

to time under contract with or under a duty to that Chargor and the benefit of all sums recovered in any proceedings against all or any of such persons;

(c) the benefit of all Property Agreements and the proceeds of any claim, award or judgement arising out of any Property Agreement and all sums paid or payable to that Chargor under or in respect of any Property Agreement;

(d) each Assigned Account and all related Deposits;

(e) (to the extent that any Intellectual Property Rights are not capable of being charged pursuant to Clause 4.2 (*Fixed charges*), whether by reason of lack of any third party consent which is required, or otherwise) its right, title and interest (if any) in and to any and all damages, compensation, remuneration, profit, rent, fees, royalties or income which it may derive from such Intellectual Property Rights or be awarded or entitled to in respect of such Intellectual Property Rights; and

(f) any sums payable to it pursuant to any Insurance Contract,

provided that nothing in this Clause 4.3 shall constitute any Secured Party as a mortgagee in possession.

4.4 **Floating charges**

(a) Each Chargor charges by way of first floating charge all its present and future undertaking and Assets of whatever type and wherever located.

(b) The floating charge created by each Chargor under Clause 4.4(a) above shall be deferred in point of priority to all other security or security interests created under or pursuant to this Deed.

(c) The floating charge created by each Chargor under Clause 4.4(a) above is a "qualifying floating charge" for the purposes of paragraph 14(2)(a) of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002). Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to this Deed.

4.5 **Conversion of floating charges**

(a) **By notice**: Subject to the Insolvency Act 1986, the Security Trustee may by notice to each Chargor convert the floating charges created by this Deed (or in the equivalent provision in the Accession Deed) into fixed charges as regards all or any of each Chargor's Assets specified in the notice at any time. At any time after the floating charges created by this Deed (or in the equivalent provision in the Accession Deed) have been converted to fixed charges, the Security Trustee may by notice, subsequently reconvert it into a floating charge by notice in writing.

(b) **Automatic conversion**: Subject to the Insolvency Act 1986 and Clause 4.5(c) (*Moratorium*) below, the floating charges created by this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically be converted (without any notice) into fixed charges over the Assets, rights and property of each Chargor:

(i) on the convening of any meeting of the members or directors of that Chargor to consider a resolution to wind up that Chargor or put that Chargor into administration;

(ii) on a resolution being passed or an order being made for the winding-up, dissolution, administration or re-organisation of that Chargor;

(iii) on the appointment of a liquidator or an administrator (whether out of court or otherwise) to that Chargor;

(iv) on any person levying or attempting to levy any distress, execution or other process against any Security Assets of that Chargor;

(v) on that Chargor ceasing to carry on business or a substantial part of it or ceasing to be a going concern;

(vi) on that Chargor stopping making payments to its creditors or giving notice to creditors that it intends to stop payment;

(vii) on that Chargor creating or attempting to create a trust over any of the Security Assets;

(viii) on the holder of any other Security Interest whether ranking in priority to or *pari passu* with or after the charges and security contained in this Deed or that Chargor appointing, requesting the appointment of, an administrator, an administrative receiver, receiver, manager or receiver and manager in respect of that Chargor; or

(ix) any floating charge granted by that Chargor to any other person crystallising for any reason whatsoever.

(c) **Moratorium**: the floating charges created pursuant to Clause 4.4 (*Floating charges*) may not be converted into fixed charges solely by reason of:

(i) the obtaining of a moratorium; or

(ii) anything done with a view to obtaining a moratorium,

under Schedule A1 of the Insolvency Act 1986.

4.6 **Implied covenants of title**

The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 4.2 (*Fixed charges*), 4.3 (*Assignment*) and 4.4 (*Floating charges*) above. It shall be implied in respect of Clauses 4.2 (*Fixed charges*), 4.3 (*Assignment*) and 4.4 (*Floating charges*) above that each Chargor is disposing of the Security Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

4.7 **Ownership**

Each Chargor is the legal and beneficial owner of, and has good and marketable title to, its Security Assets, in each case, free from security (other than that created by or pursuant to this Deed) and restrictions and onerous covenants.

5. **DELIVERY OF DOCUMENTS OF TITLE AND REGISTRATION**

5.1 Each Chargor shall on the date of this Deed deliver (or procure delivery) to the Security Trustee of, and the Security Trustee shall be entitled to hold and retain during the Security Period, all deeds, certificates and other documents of title relating to the property charged pursuant to this Deed (including any lease or licences relating to it) where originals thereof are not required to be registered.

5.2 Each Chargor shall at any time as required by the Security Trustee execute and deliver to the Security Trustee any documents and transfers to constitute or perfect an equitable or legal charge or a pledge (at the Security Trustee's option) over any Securities, including uncertificated Securities within any clearing, transfer, settlement and/or depository system, and give any instructions and take any actions the Security Trustee may require to achieve this.

5.3 Each Chargor shall, if requested by the Security Trustee, execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property Rights.

5.4 Each Chargor undertakes to make or procure that there is made a due application to the Land Registry in respect of any Land that is registered land (with the Chargor's consent as proprietor of the relevant registered estate):

(a) to enter a restriction in the following terms on the relevant register of title:

"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 in the debenture dated [ ] in favour of Barclays Security Trustee Limited (to hold on trust for and on behalf of the secured parties specified therein) as referred to in the charges register or their conveyancer"; and

(b) to enter an obligation to make further advances on the relevant register of title.

5.5 Each Chargor certifies to the Land Registry that the Security Interest created under or pursuant to this Deed does not contravene any of the provisions of the memorandum or articles of association or other constitutive documents of that Chargor.

5.6 Each Chargor shall, if requested by the Security Trustee, execute and deliver to the provider of any Insurance Contracts, such notices and other documents as the Security Trustee may reasonably require in relation to the assignment by way of security.

5.7 Each Chargor undertakes not to amend, vary or waive the terms and conditions relating to any Insurance Contract without the prior written consent of the Security Trustee.

6. **NOTICE OF ACCOUNT SECURITY**

6.1 The execution of this Deed by the Chargors and the Security Trustee shall constitute notice to the Barclays Account Bank of the security created over each Fixed Charge Account and each related Deposit, and each Chargor irrevocably instructs the Barclays Account Bank that it shall, and the Barclays Account Bank confirms and agrees that it will, upon any direction by the Security Trustee or persons authorised by the Security Trustee following the service of a default notice or following any failure to pay any of the Secured Obligations when they fall due, only act in accordance with the instructions given by the Security Trustee or by persons authorised by the Security Trustee in relation to each Fixed Charge Account and each related Deposit.

6.2 Each relevant Chargor shall, on the request of the Security Trustee following the service of a default notice or following any failure to pay any of the Secured Obligations when they fall due, deliver to the Security Trustee (or procure the delivery of) a Notice of Account Security duly executed by, or on behalf of each Chargor in respect of the Accounts held with any bank, building society, financial institution or other person (other than the Barclays Account Bank) (if any) and the related Deposits and each relevant Chargor shall use all reasonable endeavours to procure from the recipient of such Notice of Account Security an acknowledgement in the form set out in therein.

7. **RIGHTS UNDER SECURITIES**

7.1 Unless and until this Deed becomes enforceable or the Security Trustee directs otherwise:

(a) all and any cash dividends paid in respect of the Securities or any of them received by the Security Trustee (or its nominee) shall be released to each Chargor;

(b) all voting and other rights and powers attached to or conferred upon the Securities shall continue to be exercised by each Chargor for so long as it remains their registered owner; and

(c) the Security Trustee will, where it (or its nominee) is registered as holder of the Securities, exercise all voting and other rights and powers attached to the Securities, as each Chargor may from time to time in writing reasonably direct (and in the absence of such instructions the Security Trustee, or its nominee, shall not exercise any such rights), and the Security Trustee shall instruct any nominee for the time being registered as holder of the Securities accordingly.

7.2 At any time and from time to time after this Deed becomes enforceable or the Security Trustee directs:

(a) all and any dividends and other distributions accruing on or deriving from the Securities (notwithstanding that they may have accrued in respect of an earlier period), including without limitation, all money payable in respect of them, whether by way of conversion, redemption, bonus, option, dividend, interest or otherwise shall:

(i) if received by any Chargor (or any nominee of it), be held on trust for the Security Trustee and (if requested by the Security Trustee) immediately be paid and transferred to the Security Trustee; and

(ii) when and if received by the Security Trustee (or its nominee) shall form part of the Securities and be held by the Security Trustee on the terms of this Deed as additional security (and, if cash, be paid into a cash collateral deposit account and may be applied by the Security Trustee at any time and from time to time thereafter in or towards the discharge of the Secured Obligations as the Security Trustee thinks fit);

(b) following the Security Trustee serving notice on each Chargor, the Security Trustee (or its nominee) may from time to time exercise (and may from time to time direct the exercise of) all voting and other rights and powers (by statute or otherwise) attached to or conferred on the Securities in such manner as the Security Trustee (in its reasonable discretion) thinks fit and each Chargor shall, and shall procure that any nominee of that Chargor shall, comply with any such directions of the Security Trustee (or its nominee). For the avoidance of doubt, until such time as the Security Trustee (or its nominee) takes any steps to exercise any voting or other rights and powers attached to or conferred on the Securities, all such rights and powers shall remain with each Chargor; and

(c) each Chargor shall (and shall procure that any nominee of it shall), if required by the Security Trustee, agree to accept short notice for and to attend all or any meetings or class meetings of the holders of the Securities, to appoint proxies and exercise all voting and other rights and powers, which may at any time be exercisable by the holders of the Securities as the Security Trustee may from time to time direct.

7.3 The rights and powers attached to or conferred upon the Securities shall, for the purposes of Clause 7.2(b) above, include (without limitation) all powers given to trustees by the Trustee Act 2000 in respect of securities subject to a trust and shall be exercisable without any need for any further consent or authority of a Chargor.

8. REPRESENTATIONS

8.1 Each Chargor represents and warrants that:

(a) it has full power and authority and is legally empowered to enter into this Deed and to grant security over the Security Assets and to grant the guarantees and indemnity on the terms set out herein;

(b) it has taken all necessary actions (including corporate actions) to authorise the acceptance of and the exercise of its rights under this Deed and the performance of its obligations under this Deed and all other documents to be entered into by it in connection herewith;

(c) there is no legal or other restriction on its ability to enter into and perform its obligations in respect of this Deed, including that such entry or performance will not constitute a breach of any law, regulation or official directive to which it is subject or any agreement by which it is bound;

(d) this Deed will be valid, binding and enforceable in accordance with its terms;

(e) none of the Chargors nor any of their affiliates is either:

(i) listed, or is owned or controlled, directly or indirectly, by any person which is listed, on an SDN List; or

(ii) located, organised or resident in a country which is the subject of sanctions by any Authority;

(f) no Security Interest (other than the Security Interests created or expressed to be created by or pursuant to this Deed) exists on, over or in relation to any of the Security Assets at the date of this Deed;

(g) any Security Assets in the form of Securities are fully paid and not subject to any option to purchase or similar rights. The constitutional documents of companies whose Securities are subject to the security created by this Deed do not and could not restrict or inhibit any transfer of those Securities on creation or enforcement of the Security; and

(h) no "warning notice" or "restrictions notice" (as defined in Clause 1(2) of Schedule 1B of the Companies Act 2006) has been issued in respect of all or any part of the Securities.

Each of the above representations (excluding those set out in Clauses 8.1(f) and 8.1(g)) will be correct and complied with in all respects at all times during the Security Period as if repeated by reference to the then existing circumstances.

9. GENERAL UNDERTAKINGS

Each Chargor undertakes to procure that:

(a) it shall not make any material change in the scope or nature of its business;

(b) if a Chargor is a partnership, it shall notify the Security Trustee in writing immediately of any change in the membership of the partnership. Whenever possible such notification shall be given in advance of such change; and

(c) if a Chargor comprises one or more trustees, such Chargor shall give to the Security Trustee not less than 28 days' prior written notice of the proposed retirement of any trustee or the appointment of any new trustee (which shall not be effected without the prior written consent of the Security Trustee) and shall notify the Security Trustee in writing, immediately upon the death of any trustee or the dissolution of any firm or corporation acting as trustee.

10. INFORMATION AND ACCESS

10.1 Each Chargor shall from time to time on request by the Security Trustee, provide the Security Trustee with such information and documentation as the Security Trustee may reasonably require relating to the Security Assets and its compliance with the terms of this Deed.

10.2 Each Chargor shall permit the Security Trustee, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice to inspect the Security Assets (including, without limitation, for the purposes of conducting a valuation of the Security Assets).

10.3 Each Chargor shall promptly notify the Security Trustee of any litigation, arbitration or administrative proceedings commenced, pending or threatened against it or any of its Subsidiaries or any other event which is reasonably likely to adversely affect the value or otherwise depreciate, impair or prejudice any Security Asset or result in the security created by this Deed becoming enforceable.

11. PRIORITY OF CHARGES

11.1 Any mortgage, assignment, fixed charge or other fixed security each Chargor creates in the Security Trustee's favour, will have priority over the floating charge created by Clause 4.4 (*Floating charges*) (or in the equivalent provision in the Accession Deed), unless the Security Trustee states otherwise.

11.2 Any debentures, assignment, mortgages or charges (fixed or floating) which each Chargor creates in the future (except those in the Security Trustee's favour) shall be expressed to be subject to this Deed and shall rank in order of priority behind the security created pursuant to this Deed.

12. COLLECTION OF RECEIVABLES

12.1 Each Chargor shall collect and realise all Receivables and immediately on receipt pay all money which it receives in respect of them into that Chargor's bank account with the Barclays Account Bank, or into any other account specified by the Security Trustee and notified in writing to each Chargor (which may include an account held with a member of the Barclays Group), in each case on such terms as the Security Trustee may direct. Pending that payment, each Chargor will hold all money so received upon trust for the Security Trustee, separate from its own money. Each Chargor may not, without prior written consent, charge, factor, discount, assign, postpone, subordinate or waive its rights in respect of any Receivable in favour of any other person (other than the Security Trustee) or purport to do so.

12.2 If required by the Security Trustee, each Chargor shall serve notice, in such form as the Security Trustee may reasonably require, on the account bank (if not a Finance Party) of the security constituted by this Deed.

12.3 If a credit balance on any account of a Chargor with any member of the Barclays Group includes proceeds of Receivables credited or transferred to that account, the Security Trustee has an absolute discretion to direct the relevant member of the Barclays Group to permit or refuse

to permit that Chargor to utilise or withdraw that credit balance and the Security Trustee may in its sole discretion at any time direct the relevant member of the Barclays Group to transfer all or any part of that credit balance to any other account of that Chargor with that member of the Barclays Group, or to a suspense account opened for the purpose of holding or realising such funds, or in reduction of any outstanding Secured Obligations. The Parties hereto agree to comply with, and take any necessary action to effect, any of the directions given by the Security Trustee pursuant to this clause 12.3.

12.4 If the Security Trustee releases, waives or postpones its rights in respect of any Receivables for the purpose of enabling a Chargor to factor, discount or otherwise sell them to a Secured Party or to a third party, the charges created by this Deed will in all other respects remain in full force and effect. In particular, all amounts due to that Chargor from the Secured Party or the third party and any Receivables re-assigned or due to be re-assigned to that Chargor will be subject to the relevant fixed charge detailed in Clause 4.2 (*Fixed charges*), subject only to any defences or rights of retention or set off which the Secured Party or the third party may have against that Chargor.

13. COVENANTS RELATING TO LAND AND OTHER ASSETS

13.1 Each Chargor shall:

(a) keep its Land, plant, machinery, computers, vehicles, office or other equipment in good and substantial repair and condition to the satisfaction of the Security Trustee;

(b) perform and observe in all material respects all the covenants, conditions and stipulations (whether as landlord or tenant) in any lease, agreement for lease or other right to occupy in respect of any of its Land and shall not do or permit to subsist any act or thing as a result of which any such lease, agreement for lease or other right to occupy may be subject to determination or right of re-entry or forfeiture prior to the expiration of its term;

(c) not at any time without the prior written consent of the Security Trustee, sever or remove any of the fixtures forming part of its Land or any of the plant or machinery (other than stock in trade or work in progress) on or in its Land, if to do so would reasonably be expected to have a materially adverse effect of the value, saleability or use of the Land or the enforceability of this Deed;

(d) comply with all planning laws and regulations and the terms of any authorisation in respect of any such planning laws and regulations, in each case relating to any of its Land;

(e) obtain and maintain in full force and effect all Environmental Approvals and ensure that the business and/or operations carried on at the Land comply in all respects with all Environmental Laws and Environmental Approvals;

(f) promptly on becoming aware of it, inform the Security Trustee of any Environmental Claim which has been made or threatened against that Chargor or any occupier of the Land or any of the officers of that Chargor in their capacity as such, setting out the action which is to be taken with respect to that Environmental Claim; and

(g) notify the Security Trustee promptly on becoming aware of any Environmental Contamination at or brought on to the Land or circumstances likely to lead to Environmental Contamination which might give rise to any Environmental Claim, and take or procure the taking of all necessary action to deal with, remedy or remove from the Land or prevent the incursion of (as the case may be) that Environmental Contamination or circumstances likely to lead to Environmental Contamination, so as to prevent an Environmental Claim, endeavouring always to minimise the danger or harm arising to the Environment.

13.2 Each Chargor shall not, without the Security Trustee's prior written consent:

(a) grant or agree to grant (whether in exercise of or independently of any statutory power) any lease or tenancy;

(b) agree to any amendment or waiver or surrender of any lease or tenancy;

(c) commence any forfeiture proceedings in respect of any lease or tenancy;

(d) part with or share possession or confer upon any person any contractual licence or right to occupy;

(e) consent to any assignment of any tenant's interest under any lease or tenancy;

(f) agree to any rent review in respect of any lease or tenancy; or

(g) serve any notice on any former tenant under any lease or tenancy (or any Chargor of that former tenant) which would entitle it to a new lease or tenancy, in respect of all or any part of its Land.

13.3 If a Chargor fails to comply with any of the undertakings in this Clause 13, the Security Trustee (and its agents and contractors) shall be entitled to do such things as it considers are necessary or desirable to remedy such failure. Each 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 Clause 13.

14. ACCOUNTS

14.1 Notification and Variation

Each Chargor shall promptly deliver to the Security Trustee on the date of this Deed (and, if any change occurs thereafter, on the date of such change), details of each Assigned Account opened or maintained by it with any bank, building society, financial institution or other person.

14.2 Security Trustee rights

At any time and from time to time after this Deed becomes enforceable or the Security Trustee directs, the Security Trustee shall be entitled, without notice or further demand, to:

(a) demand, receive and apply against the Secured Obligations, all and any monies due under or arising out of each Account (including the related Deposits);

(b) exercise in relation to each Account all such rights as each Chargor was then entitled to exercise, in relation to such Account or might, but for the terms of this Deed, exercise; and

(c) make any direction or instruction to the Barclays Account Bank or any bank, building society, financial institution or other person at which an Assigned Account is held to give effect to this Clause 14.2.

14.3 **Terms of Accounts**

Except with the Security Trustee's prior written consent and subject to Clause 14.4 (*Partial maturity*), each Fixed Charge Account shall be maintained on the terms that any relevant Deposit shall mature on the earlier of:

(a) the first time at which: (i) there are no remaining Secured Obligations; and (ii) the relevant Finance Party is not under any obligation or liability (actual or contingent) to make advances or provide other financial accommodation which, if made or provided, would give rise to any Secured Obligations; and

(b) close of business in London on the date on which any of the Secured Obligations shall have become due and payable and shall not have been paid upon becoming so due and payable,

so that, at such time as any such credit balance shall mature (or at any time thereafter), the Security Trustee may exercise in relation to that credit balance any rights of set-off, combination or consolidation to which any of the Secured Parties may be entitled under this Deed, any other contract, or at law.

14.4 **Partial maturity**

If, on any day, any of the Secured Obligations become due and payable and have not been paid by close of business in London on the same day, then only so much of the Deposit from time to time on any Fixed Charge Accounts shall mature as equals the amount of the Secured Obligations which became due and payable and had not been paid by close of business on that day.

14.5 **Interest on Deposit**

Interest shall accrue on each Deposit on any Fixed Charge Accounts at such rates and be payable on such dates and in such manner as agreed by the parties from time to time.

14.6 **Restrictions on Deposits**

(a) Each Chargor shall, prior to this Deed becoming enforceable or unless the Security Trustee otherwise directs, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

(b) At any time and from time to time after this Deed becomes enforceable or the Security Trustee directs, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any Deposit from time to time on any Account except with the prior written consent of the Security Trustee.

15. **NEGATIVE PLEDGE**

15.1 No Chargor shall, without the prior written consent of the Security Trustee:

(a) create, agree to create or permit to exist any trust, interest or Security Interest (howsoever ranking in point of priority) of any nature whatsoever (including such as arises by operation of law or any enactment) in, over or affecting all or any part of its Security Assets; or

(b) subject to Clause 15.2(b) below, part with, grant or enter into a lease of, sell, transfer, assign or otherwise dispose of (including by way of declaration of trust) all or any part of its Security Assets or any interest in them or agree to do so.

15.2 Each Chargor undertakes to the Security Trustee that, save as expressly permitted by the Security Trustee in writing, it will not:

(a) create any mortgage or any fixed or floating charge or other security, over any of the Floating Charge Assets (whether having priority over, or ranking *pari passu* with or subject to, the floating charges created by this Deed); or

(b) sell, transfer, part with or dispose of any of the Floating Charge Assets except by way of sale in the ordinary course of business.

16. **PRESERVATION OF SECURITY**

16.1 **Ruling off**

If any Secured Party (in this Clause 16.1, the ***relevant Secured Party***) receives notice of any subsequent interest or Security Interest affecting any Security Asset:

(a) each of the Secured Parties may open a new account or accounts in respect of that Chargor and if any Secured Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when the relevant Secured Party had received the notice;

(b) all payments made by that Chargor to any Secured Party after the relevant Secured Party receives such notice, shall be credited or be treated as having been credited to its new account and in no circumstances whatsoever shall such payments operate to reduce the amount due from that Chargor to the relevant Secured Party at the time when the relevant Secured Party had received the notice; and

(c) all payments made by a Secured Party to the Chargor after any Secured Party receives such notice shall be deemed to have been first made out of any payments last received into any account of the Chargor with any Secured Party.

16.2 **Release**

If at any time the Secured Obligations shall have been paid and discharged in full and the Security Trustee is satisfied that none of the Secured Parties has any commitment, obligation or liability of any kind (present or future, actual or contingent), the Security Trustee will at the request and cost of the

Chargors re-assign the Security Assets to the Chargors or otherwise discharge the security constituted under this Deed.

16.3 **Retention of Charges**

Notwithstanding Clause 16.2 (*Release*):

(a) if the Security Trustee shall have reasonable grounds for believing that a Chargor may be insolvent, bankrupt or unable to pay its debts as and when they fall due or that the value of a Chargor's assets may be less than the amount of its liabilities, taking into account its contingent and prospective liabilities or may be deemed for the purposes of any law to be insolvent or bankrupt, as at the date of any payment made by that Chargor to any Secured Party, then the Security Trustee shall be at liberty to retain the security contained in or created pursuant to this Deed, until the expiry of a period of one month plus such statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated;

(b) the Security Trustee shall be able to exercise its rights under paragraph (a) above notwithstanding (i) the payment and discharge in full of all Secured Obligations or (ii) any release, settlement, discharge or arrangement that may be given or made by the Secured Party on, or as a consequence of, such payment or discharge of liability; and

(c) if at any time within such period as is referred to in paragraph (a) above, any step or corporate action is taken in respect of a Chargor in relation to or with a view to any insolvency, bankruptcy, administration, winding up or receivership proceedings or procedure as set out in Part 26 of the Companies Act 2006 or in the Insolvency Act 1986 or in relation to or with a view to any analogous proceedings or procedure in any jurisdiction the Security Trustee shall be at liberty to continue to retain such security for such further period as the Security Trustee may reasonably determine and such security shall be deemed to have continued to have been held as security for the payment and discharge to the Secured Parties of all Secured Obligations.

17. **FURTHER ASSURANCES**

17.1 Each Chargor shall, on demand, execute any document and do any other act or thing (in either case, at the expense of that Chargor) which the Security Trustee or any other Secured Party may reasonably specify for protecting, preserving or perfecting any security created or intended to be created by this Deed or for facilitating the realisation thereof or otherwise for enforcing the same or exercising any of the powers, rights and discretions of the Security Trustee or any other Secured Party under this Deed, including the execution of all releases, transfers, assignments and other documents and the giving of all notices, orders, instructions, directions and requests for any consents to enable the property to be charged which the Security Trustee or any other Secured Party may reasonably request and each Chargor irrevocably and severally by way of security appoints the Security Trustee (and any Receiver or Delegate appointed under this Deed), as its attorney in its name and on its behalf to sign, execute and deliver all such documents and do any act or thing as the Security Trustee may think fit.

17.2 Each Chargor by way of security irrevocably and severally appoints the Security Trustee (and any Receiver or Delegate appointed under this Deed) to be its attorney with full power of

substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

(a) prior to service of a default notice or any demand for payment, to do anything which that Chargor is obliged to do under this Deed (but has not done);

(b) on and after service of a default notice or any demand for payment, to do anything which that Chargor is obliged to do under this Deed; and

(c) to take any action which is ancillary to the exercise of any of the rights conferred on the Security Trustee or any other Secured Party, in relation to any Security Asset or under this Deed or any other agreement with the Security Trustee or any other Secured Party, the Law of Property Act 1925 or the Insolvency Act 1986, and ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 17.2.

18. ENFORCEMENT

18.1 On and after service of a default notice or any failure to pay any of the Secured Obligations when they fall due or a request from a Chargor to the Security Trustee that it exercise any of its powers under this Deed (or if any steps are taken to appoint an administrator of a Chargor), the Security Interests created by and under this Deed and any Accession Deed shall be immediately enforceable and the Security Trustee, without prejudice to the powers conferred on it by virtue of the Law of Property Act 1925, shall be entitled to:

(a) secure and perfect its title to all or any part of the Security Assets;

(b) enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit;

(c) take possession of and hold or dispose of all or any part of the Security Assets (and any Assets of the relevant Chargor which, when got in, would be part of the Security Assets) at the times, in the manner and on the terms it thinks fit; and

(d) transfer or otherwise dispose of any Security Asset and to give good discharge for any moneys received by the Security Trustee in exercise of such power of sale and/or disposal.

18.2 If no default notice has been served on a Chargor, the Security Trustee shall as soon as reasonably practicable after exercising any power pursuant to Clause 18.1 above, notify the Chargors of such exercise.

18.3 To the extent that the Security Interests created by this Deed constitute a "security financial collateral arrangement" and the Security Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the ***Regulations***), the Security Trustee shall have the right on giving prior notice to a Chargor, at any time after the Security Interest becomes enforceable, to appropriate all or any part of the Security Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Security Assets shall be, in the case of cash, the amount of cash appropriated

and, in the case of Securities, determined by the Security Trustee by reference to any publicly available market price in the absence of which by such other means as the Security Trustee (acting reasonably) may select including, without limitation, an independent valuation. The parties agree that the value of each Account shall be the amount of the credit balance on it, together with any accrued but unposted interest that is paid in relation to that Account at the time the right of appropriation is exercised. For the purpose of Regulation 18(1) of the Regulations, each Chargor agrees that any such determination by the Security Trustee will constitute a valuation "in a commercially reasonable manner".

19. **CONTINUING SECURITY**

The security constituted by this Deed shall be continuing, is made for securing further advances and will extend to the ultimate balance of the Secured Obligations, regardless of (i) any intermediate payment or discharge in whole or in part; and (ii) any amendment, variation, restatement, assignment, replacement, refinancing, novation or departure (however substantial or material) of, to or from any document constituting any Secured Obligations.

20. **INSURANCE**

20.1 Each Chargor must insure all insurable Assets with an insurance office or underwriter acceptable to the Security Trustee, against loss or damage by fire and such other risks as the Security Trustee may specify from time to time. This insurance cover must be for the full replacement value and be index-linked. Each Chargor must also maintain all other insurances normally maintained by prudent companies with similar activities to those of that Chargor or as the Security Trustee may require.

20.2 Each Chargor must punctually make all premium and other payments necessary to effect or maintain these insurances and produce receipts for these payments at the request of the Security Trustee. If, at any time, a Chargor fails to have the required insurance cover in place or to produce any receipt on request or to deposit any policy with the Security Trustee under Clause 5 (*Delivery of Documents of Title and Registration*) or on request, the Security Trustee may take out or renew any insurance in any sum and on any terms the Security Trustee thinks appropriate and recover the costs of doing so from that Chargor.

20.3 All monies received on any insurance whatsoever in respect of loss or damage by fire or otherwise to said insurable Assets or any part thereof (whether effected or maintained by a Chargor in pursuance of its obligation under the covenant contained in this Clause 20 (*Insurance*) or independently of or otherwise than in pursuance of such obligation) shall as the Security Trustee requires either be applied in making good the loss or damage in respect of which the monies are received or be paid to the Security Trustee in or towards payment of the monies for the time being secured by this Deed or such part or parts thereof as the Security Trustee may require.

21. **ADMINISTRATOR**

21.1 At any time and from time to time after this security becomes enforceable, or if a Chargor so requests the Security Trustee in writing from time to time, the Security Trustee may appoint

any one or more qualified persons to be an administrator of any Chargor, to act together or independently of the other or others appointed (to the extent applicable).

21.2 Any such appointment may be made pursuant to an application to court under paragraph 12 of Schedule B1 of the Insolvency Act 1986 (Administration application) or by filing specified documents with the court under paragraphs 14 to 21 (inclusive) of Schedule B1 of the Insolvency Act 1986.

21.3 In this Clause 21, a "qualified person" means a person who, under the Insolvency Act 1986, is qualified to act as an administrator of any company or individual with respect to which that person is appointed.

22. **RECEIVER**

22.1 **Appointment of Receiver**

(a) At any time after this security becomes enforceable, or if a Chargor so requests the Security Trustee in writing at any time, the Security Trustee may, (unless precluded by law) without further, notice appoint under seal or in writing, any one or more qualified persons to be a Receiver of all or any part of the Security Assets, to act together or independently of the other or others appointed to the extent applicable.

(b) In this Clause 22, a "qualified person" means a person who, under the Insolvency Act 1986, is qualified to act as a Receiver of the property of any company or individual with respect to which that person is appointed.

22.2 **Powers of Receiver**

(a) Every Receiver appointed in accordance with Clause 22.1 (*Appointment of Receiver*) shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of a Chargor) have and be entitled to exercise all of the rights, powers and discretions, as varied and extended by the provisions of this Deed, conferred by the Law of Property Act 1925 on any receiver appointed under that Act and those conferred by the Insolvency Act 1986 (and to use the name of a Chargor for all or any of such purposes). If at any time there is more than one Receiver in respect of all or any part of the Security Assets, each such Receiver may (unless otherwise stated in any document appointing that Receiver), exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of each other Receiver.

(b) The rights, powers and discretions referred to in paragraph (a) above include (without limitation) the right, power and/or discretion (as the case may be):

(i) **Take possession**: to take immediate possession of, get in and collect the Security Assets or any part of the Security Assets whether accrued before or after the date of his appointment;

(ii) **Carry on business**: to carry on or manage the business of a Chargor, as the Receiver may think fit or to concur in or authorise the management of, or appoint a manager of the whole or any part of the business of that Chargor;

(iii) **Protection of assets**: to make and effect all repairs, alterations, improvements, replacements, developments, demolitions and insurances (including indemnity insurance and performance bonds and guarantees) and do all other acts which a Chargor might do in the ordinary conduct of its business, as well for the protection as for the improvement of the Security Assets and to commence and/or complete any building operations on any Land secured pursuant to this Deed and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or licences, in each case as the Receiver may in its absolute discretion think fit or concur in any of the foregoing;

(iv) **Employees and advisers**: to appoint and discharge managers, officers, agents, accountants, servants, workmen and other advisers for the purposes of this Deed, upon such terms as to remuneration or otherwise as the Receiver may think proper and to discharge any such persons appointed by a Chargor;

(v) **Borrow money**: to borrow money for the purpose of exercising any of the powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and/or of defraying any costs, charges, losses or expenses (including the Receiver's remuneration) which shall be incurred by that Receiver in the exercise of such powers, authorities and discretions or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part of the Security Assets either in priority to the security constituted by this Deed or otherwise and generally on such terms and conditions as that Receiver may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;

(vi) **Sell business**: to sell or concur in selling the whole or any part of any Chargor's business whether as a going concern or otherwise;

(vii) **Sell assets**: to sell, exchange, grant options to purchase, license, surrender, release, disclaim, abandon, return or otherwise dispose of, convert into money or realise all or any part of the Security Assets by public auction or private contract and generally in such manner and on such terms as the Receiver shall think proper or to concur in any such transaction. Without prejudice to the generality of the foregoing the Receiver may do any of these things for a consideration consisting 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 such period as the Receiver may think fit. Fixtures, other than landlords' fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor;

(viii) **Acquire assets**: to acquire assets for such consideration and on such terms as the Receiver may think fit, to purchase outright or acquire by leasing, hiring, licensing or

otherwise, any land, buildings, plant, equipment, vehicles or materials or any other property, assets or rights of any description which the Receiver considers necessary or desirable for the carrying on, improvement or realisation of any of the Security Assets or the business of a Chargor or otherwise for the benefit of the Security Assets;

(ix) **Leases, etc.**: to grant or agree to grant any leases whatsoever and let on charter, sub-charter, hire, lease or sell on condition and to grant rights, options, licences or easements over all or any part of the Security Assets for such term and at such rent (with or without a premium) as the Receiver may think proper and to rescind, surrender and accept or agree to accept a surrender of any lease or tenancy of such Security Assets or agree to any variation of any such contract affecting all or any part of the Security Assets on such terms as the Receiver may think fit (including the payment of money to a lessee or tenant on a surrender or any rent review);

(x) **Uncalled capital**: to call up or require the directors or members (as applicable) of a Chargor to call up all or any portion of the uncalled capital for the time being of a Chargor and to enforce payment of any call by action (in the name of that Chargor or the Receiver, as may be thought fit by the Receiver);

(xi) **Compromise**: to negotiate, settle, adjust, refer to arbitration, compromise, abandon and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of a Chargor or relating in any way to the Security Assets or any part of them;

(xii) **Legal actions**: to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets or any part of them as may seem to the Receiver to be expedient;

(xiii) **Receipts**: to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Security Assets;

(xiv) **Subsidiaries, etc.**: to form a Subsidiary or Subsidiaries of a Chargor in any jurisdiction and transfer to any such Subsidiary or any other company or body corporate, whether or not formed for the purpose, all or any part of the Security Assets;

(xv) **Powers, discretions, etc.**: to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Security Assets or incidental to the ownership of or rights in or to any Security Assets and to complete or effect any transaction entered into by a Chargor and complete, disclaim, abandon or modify all or any of the outstanding contracts or arrangements of a Chargor relating to or affecting all or any part of the Security Assets; and

(xvi) **General powers**: to do all such other acts and things as the Receiver may consider desirable or necessary for realising the Security Assets or any part of them or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of this Deed, to exercise in relation to the Security Assets or any part of them all such powers, authorities and things as the Receiver would be capable of exercising if it were the absolute beneficial owner of them,

and to use the name of the relevant Chargor for all or any of such purposes.

22.3 **Removal**

The Security Trustee may from time to time, by writing remove any Receiver appointed by it (so far as it is lawfully able) and may, whenever it may deem it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

22.4 **Remuneration**

(a) The Security Trustee may from time to time, fix the remuneration of any Receiver appointed by it (which remuneration may be or include a commission calculated by reference to the gross amount of all moneys received or otherwise and may include remuneration in connection with claims, actions or proceedings made or brought against the Receiver by a Chargor or any other person or the performance or discharge of any obligation imposed upon the Receiver by statute or otherwise) but such remuneration shall be payable by that Chargor alone, and sections 109(6) and (8) of the Law of Property Act 1925 shall not apply in relation to any Receiver appointed under this Deed.

(b) The amount of such remuneration may be debited by the Security Trustee to any account of the relevant Chargor, held with a Secured Party but shall, in any event, form part of the Secured Obligations and accordingly be secured on the Security Assets under the security contained in this Deed.

22.5 **Extent of appointment**

The exclusion of any Security Assets from the appointment of the Receiver shall not preclude the Security Trustee from subsequently extending the Receiver's or Receivers' appointment (or that of their replacement) to that part or appointing another Receiver over any other part of the Security Assets.

22.6 **No liability as mortgagee in possession**

None of the Secured Parties shall, nor shall any Receiver appointed as aforesaid, by reason of it or the Receiver entering into possession of the Security Assets or any part of them or for any other reason, be liable to account as mortgagee in possession or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

22.7 **Agent of Chargor**

(a) Every Receiver of a Chargor duly appointed by the Security Trustee under the powers in that respect contained in this Deed shall be deemed to be the agent of that Chargor for all purposes and shall as such agent for all purposes be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925.

(b) Each Chargor alone shall be responsible for the contracts, engagements, acts, omissions, defaults and losses of the Receiver and for liabilities incurred by the Receiver and no Secured Party shall incur any liability for them by reason of the Security Trustee appointing such Receiver or for any other reason whatsoever.

22.8 **Security Trustee may exercise**

To the fullest extent permitted by law, all or any of the powers, authorities and discretions which are conferred by this Deed (either expressly or impliedly), upon a Receiver of the Security Assets, may be exercised after the security created under this Deed becomes enforceable by the Security Trustee in relation to the whole of such Security Assets or any part of them without first appointing a Receiver of such property or any part of it or notwithstanding the appointment of a Receiver of such property or any part of it.

23. **APPOINTMENT OF AGENT AND CHANGES TO CHARGORS**

(a) Each Chargor (other than the Agent) by its execution of this Deed or an Accession Deed irrevocably appoints the Agent (acting through one or more authorised signatories) to act on its behalf as its agent (and the Agent accepts such appointment) and irrevocably authorises:

(i) the Agent on its behalf to supply all information concerning itself contemplated by this Deed to the Security Trustee and the other Secured Parties and to execute on its behalf any Accession Deed or other deed or agreement, notwithstanding that they may affect that Chargor, without further reference to or the consent of that Chargor; and

(ii) the Security Trustee to give any notice, demand or other communication to that Chargor to the Agent,

and in each case the Chargor shall be bound as though the Chargor itself had given the notices and instructions or executed or made the agreements or deeds.

(b) Where the Chargor is a member of a group of companies and/or limited liability partnerships, a company or limited liability partnership may become an Additional Chargor if:

(i) the Security Trustee approves the addition of that proposed Additional Chargor;

(ii) the Agent and the proposed Additional Chargor deliver to the Security Trustee a duly completed and executed Accession Deed; and

(iii) the Security Trustee has received all of the documents and other evidence for its know your customer checks and any corporate authorities required by the Security Trustee in relation to that Additional Chargor, each in form and substance satisfactory to the Security Trustee.

24. **EXPENSES AND INDEMNITIES**

24.1 Each Chargor shall on demand pay to or reimburse the Secured Parties and their nominees, agents or Delegates on the basis of a full indemnity on an after tax basis the amount of all commissions, costs (including legal costs and remuneration), charges, losses, liabilities, and expenses and other sums reasonably incurred by the Security Trustee (whether acting in its personal capacity or as security trustee for and on behalf of the Secured Parties or any other Secured Party and any of their nominees, agents or Delegates) in connection with:

(a) the inspection or valuation of the Security Assets;

(b) making a demand for payment or the delay in receipt of payments under this Deed;

(c) a failure by any Chargor to perform its obligations under this Deed or otherwise breach any terms of this Deed; and

(d) the preservation, enforcement or the attempted preservation or enforcement of any of their rights under this Deed whether incurred as a result of any act or omission by, or proceedings involving, that Chargor or any third party together with interest on the amount payable in accordance with Clause 3 (*Agreement to pay*).

24.2 Each Chargor shall on demand pay to or fully indemnify the Secured Parties or other nominee or agent on an after-tax basis against all losses, actions, claims, commissions, costs (including legal costs, expenses, proceedings, and remuneration), charges, losses, liabilities, expenses and other sums and expenditure which the Security Trustee (whether acting in its personal capacity or as security trustee for and on behalf of the Secured Parties) or any other Secured Party and any of their nominees or agents may suffer, pay or incur, acting reasonably, in connection with any payment or discharge in respect of the Secured Obligations (whether made by that Chargor or a third party) becoming void, voidable, ineffective or unenforceable for any reasons whatsoever.

24.3 Where, pursuant to Clauses 24.1 or 24.2 above, a sum is paid to such Secured Party (or their nominees, agents or Delegates), the relevant Chargor shall, in addition, pay to the Secured Parties (or their nominees, agents or Delegates) in respect of value added tax:

(a) (except where the payment falls within Clause 24.3(b) below), such amount as equals any value added tax charged to the relevant Secured Party (or their nominees, agents or Delegates) in respect of the matter which gives rise to the payment and which the relevant Secured Party (or their nominees, agents or Delegates) certifies is not recoverable by it by repayment or credit (such certificate to be conclusive in the absence of manifest error); and

(b) on any reimbursement of or indemnification for any commissions, costs, charges, expenses or other items incurred by the relevant Secured Party (or their nominees, agents or Delegates) as agent for that Chargor, such amount as equals the amount included in the commissions, costs, charges, expenses or other items in respect of value added tax (and in such a case the relevant Secured Party (or their nominees, agents or Delegates) shall provide that Chargor with an appropriate tax invoice in respect of such item, naming that Chargor as recipient of the relevant supply).

24.4 Each Chargor agrees that no Secured Party will be held responsible for any loss suffered as a result of exercise of or failure to exercise by the Security Trustee or any other Secured Party of its rights under this Deed, except in the case of gross negligence or wilful default of the relevant Secured Party.

25. **SET OFF**

25.1 The Security Trustee or any other Secured Party may at any time and from time to time without notice (but shall not be obliged to) set off (i) any obligation which is due and payable by a Chargor to the Security Trustee, any other Secured Party and/or any other member of the Barclays Group and is unpaid against (ii) any obligation (whether or not matured) owed by the Security Trustee, any other Secured Party and/or any other member of the Barclays Group to a Chargor, regardless of the place of payment, booking branch or currency of either obligation (with the difference between the amounts in (i) and (ii) being the ***Set off Amount***), regardless of the place of payment, booking branch or currency of either obligation. Pursuant to the rights in the preceding sentence, any Secured Party may (and the Security Trustee may direct a Secured Party or other members of the Barclays Group to) debit an account held by any Chargor with any member of the Barclays Group by an amount up to and including the Set off Amount.

25.2 If the obligations are in different currencies, the Security Trustee and any other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off and if when converted it leaves the Security Trustee or Secured Party (as applicable) with less than the amount due the relevant Chargor must make good the amount of the shortfall on demand.

25.3 The Security Trustee and any other Secured Party may, in its absolute discretion estimate the amount of any liability of a Chargor which is contingent or unascertained and thereafter set off such estimated amount and no amount shall be payable by the Security Trustee or Secured Party (as applicable) to any Chargor unless and until all Secured Obligations have been ascertained and fully repaid or discharged.

26. **DISCRETION AND DELEGATION**

26.1 Any liberty 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 or made from time to time in its absolute and unfettered discretion without any obligation to give reasons.

26.2 Each of the Security Trustee and any Receiver may at any time delegate all or any of the rights conferred on it by this Deed.

26.3 The delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions as the Security Trustee or the Receiver may think fit.

26.4 Such delegation shall not preclude either the subsequent exercise of such power, authority or discretion the Security Trustee or the Receiver itself or any subsequent delegation or revocation.

26.5 Under no circumstances shall the Security Trustee, nor any other Secured Party nor any Receiver or any Delegate (nor any officer, agent or employee of any of them) be liable to any Chargor or any other person as a result of or in connection with any act, default, omission or misconduct on the part of any Delegate.

27. **TRANSFER AND DISCLOSURE**

27.1 The Secured Parties may at any time sell, assign, novate, securitise or otherwise transfer all or part of their rights and/or obligations in respect of this Deed to any person at any time (a ***Transferee***). Each Chargor consents to the disclosure by the Secured Parties of any information and documentation directly or indirectly concerning this Deed to any prospective or actual Transferee.

27.2 The Secured Parties may disclose any information relevant to this Deed in the Secured Parties' possession relating to each Chargor and the Security Assets to:

(a) any other member or affiliate of the Barclays Group and our or their officers, directors, employees, auditors, partners, consultants and professional advisers;

(b) a governmental, banking, taxation or other regulatory authority;

(c) any person in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time;

(d) any person who may otherwise enter into contractual relations with any member of the Barclays Group in connection with this Deed;

(e) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or governmental, banking, taxation or other regulatory authority or similar body;

(f) any rating agency (including its professional advisers) to enable the rating agency to carry out its normal rating activities;

(g) each other Chargor;

(h) any credit reference agency; and

(i) any other obligor in respect of all or part of the Secured Obligations and any affiliate, holding company or subsidiary thereof.

27.3 No Chargor may assign or otherwise transfer any of its rights or obligations under this Deed.

28. **FORBEARANCE**

No delay or omission on the part of the Security Trustee (or any other Secured Party) in exercising any right, power or privilege under this Deed will impair it or be construed as a waiver of it. A single or partial exercise of any right, power or privilege will not in any circumstances preclude any other or further exercise of it or the exercise of any other right, power or privilege.

29. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original. All such counterparts will together constitute one instrument.

30. **NOTICES, COMMUNICATIONS AND DEMANDS**

30.1 Any notice, communication or demand under or in connection with this Deed shall be in writing and shall be delivered personally, or by post to the Authorised Address and, if given by any Secured Party, may be made or given by any manager, officer or agent of that Secured Party or of any branch of that Secured Party.

30.2 Any notice, communication or demand made or delivered under or in connection with this Deed to a Chargor or the Agent will only be effective in the case of a letter which is sent by post, in a first-class prepaid letter where available, and is posted before the last collection of letters from the letter box in which it was posted has been made on any day, at 10.00 a.m. on the next succeeding day upon which a delivery of letters is made.

30.3 Any notice to any Secured Party, shall be addressed in writing and sent by post to Barclays Security Trustee Limited at Business Lending Services, PO Box 16276, One Snowhill, Snowhill Queensway, Birmingham, B2 2XE and shall only be effective when actually received by that Secured Party.

30.4 Any notice, communication or demand made or delivered to the Agent will be deemed to have been made or delivered to each of the Chargors.

30.5 Demands under this Deed may be made from time to time and, at any time, the liabilities and obligations of each Chargor under this Deed may be enforced, irrespective of:

(a) whether any demands, steps or proceedings are being or have been made or taken against any other Chargor and/or any third party; or

(b) whether or in what order any security to which any Secured Party may be entitled in respect of the Secured Obligations and any other obligations secured under this Deed is enforced.

30.6 All notifications or determinations given or made by any Secured Party shall be conclusive and binding on the Chargors, except in the case of manifest error.

31. **MISCELLANEOUS PROVISIONS**

31.1 If at any time any one of the provisions of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this Deed shall not in any way be affected or impaired.

31.2 Save as otherwise provided for in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or any similar applicable legislation to enforce or to enjoy the benefits of this Deed, unless otherwise specified.

31.3 Notwithstanding any term of this Deed the consent of any person who is not a party is not required to rescind or vary this Deed or any other agreement entered into under or in connection with it.

31.4 Unless otherwise specified, the Secured Parties may, subject to this Clause 31 and the Contracts (Rights of Third Parties) Act 1999 or any similar applicable legislation, rely on any clause of this Deed.

31.5 This Deed is intended to take effect as a deed notwithstanding the fact that any party may only execute this Deed under hand.

32. GOVERNING LAW AND JURISDICTION

32.1 This Deed and any non-contractual obligations arising from or in connection with it shall be governed by, and construed in accordance with, the laws of England.

32.2 Each party irrevocably submits, for the exclusive benefit of the Secured Parties, to the jurisdiction of the English courts (but without prejudice to the Secured Parties' right to commence proceedings against any party in any other jurisdiction) and irrevocably waives any objection on the ground of venue or inappropriate forum or any similar grounds.

This Deed has been executed as a deed by the Chargors and signed by the Security Trustee, each Finance Party and the Barclays Account Bank and is delivered on the date stated at the beginning of this Deed.

SCHEDULE 1 – THE PARTIES

Name of Chargor	Country of Jurisdiction	Registration Number	Registered Address
Sutura Group Limited	England and Wales	10942811	Suite 2e Skyview Business Centre 9 Churchfield Road Sudbury Suffolk CO10 2YA
K T Health Limited	England and Wales	05752450	Argyll House 201 Holt Road Cromer Norfolk NR27 9JN
The Ryes College Limited	England and Wales	07571638	Suite 2e Skyview Business Centre 9 Churchfield Road Sudbury Suffolk CO10 2YA

The Agent

Name of relevant Chargor	Country of Jurisdiction	Registration Number	Registered Address
Sutura Group Limited	England and Wales	10942811	Suite 2e Skyview Business Centre 9 Churchfield Road Sudbury Suffolk CO10 2YA

SCHEDULE 2 - FORM OF ACCESSION DEED

THIS ACCESSION DEED is made on: [•]

Between

(1) **Sutura Group Limited** (incorporated in England and Wales with registered number 10942811) for itself and for the Chargors (the ***Agent***);

(2) [Insert **NAME OF COMPANY/LLP**] (incorporated in [•] with registered number [Insert COMPANY/LLP NUMBER]) of [Insert REGISTERED ADDRESS] (the ***Acceding Chargor***);

and

(3) **Barclays Bank UK PLC** (Company Number 09740322) of 1 Churchill Place, London E14 5HP (***BBUK***);

(4) **Barclays Bank PLC** (Company Number 01026167) of 1 Churchill Place, London E14 5HP (***BBPLC***);

(5) **Barclays Mercantile Business Finance Limited** (Company Number 00898129) of 1 Churchill Place, London E14 5HP (***BMBF***); and

(6) **Barclays Security Trustee Limited** (Company Number 10825314) of 1 Churchill Place, London E14 5HP, acting in its capacity as security trustee for and on behalf of the Secured Parties (the ***Security Trustee***).

Whereas

This Accession Deed is supplemental to a Debenture and Cross Guarantee dated [•] between, inter alia, the Agent, the Chargor(s) (as defined therein) and the Security Trustee (***Debenture and Cross Guarantee***).

It is agreed as follows

1 DEFINITIONS AND INTERPRETATION

(a) Definitions

Save to the extent otherwise defined in this Accession Deed, terms defined in the Debenture and Cross Guarantee have the same meaning when used in this Accession Deed.

(b) Interpretation and other provisions

(i) Clauses 1.2 (*Interpretation*) and 31 (*Miscellaneous Provisions*) of the Debenture and Cross Guarantee are incorporated in this Accession Deed as if they were set out in full in this Accession Deed, but so that references in those Clauses to this Accession Deed shall be construed as references to this Accession Deed.

(ii) All the provisions contained in the Debenture and Cross Guarantee in relation to the security created by it and all the powers and rights conferred on the Security Trustee

and any Receiver in relation to the security created by the Debenture and Cross Guarantee shall extend and apply to the security created by this Accession Deed.

(iii) The Debenture and Cross Guarantee and Accession Deed shall be read together and construed as one instrument.

2 **ACCESSION OF ACCEDING CHARGOR**

The Acceding Chargor agrees to be a Chargor for the purposes of the Debenture and Cross Guarantee with immediate effect and agrees to be bound by all of the terms of the Debenture and Cross Guarantee as if it had originally been a party to it.

3 **AGREEMENT TO PAY**

(a) The Acceding Chargor, as primary obligor and not merely as surety covenants with the Security Trustee that it will pay and discharge on demand the Secured Obligations on the date(s) on which such Secured Obligations are expressed to become due or apply and in the manner provided for in the document under which liability for such Secured Obligations arises.

(b) The Acceding Chargor unconditionally and irrevocably:

(i) guarantees to each Finance Party punctual performance of all of each other Chargor's payment obligations to each Finance Party;

(ii) undertakes to each Finance Party that whenever another Chargor does not pay any part of the Secured Obligations when due to the relevant Finance Party, it shall immediately on demand pay that amount (in whatever currency denominated) as if it was the principal obligor; and

(iii) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify each Finance Party immediately on demand against any cost, claims, charges, expenses, losses or liability it incurs as a result of another Chargor not paying any of part of the Secured Obligations which would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by the Acceding Chargor under this indemnity (meaning for the avoidance of doubt, that the Acceding Chargor is required to fully reimburse the relevant Finance Party) will not exceed the amount it would have had to pay under this Accession Deed and/or the Debenture and Cross Guarantee if the amount claimed had been recoverable on the basis of a guarantee.

(c) The covenants and obligations contained in this Clause 3 are given subject to, and with the benefit of, the provisions set out in Schedule 3 (*Waiver of Defences and Deferral of Rights*) of the Debenture and Cross Guarantee by the Acceding Chargor jointly and severally with each other Chargor.

4 **CHARGES**

(a) **General**

All security created by the Acceding Chargor under this Clause 4 is:

(i) continuing security for the payment and discharge of the Secured Obligations;

(ii) granted with full title guarantee;

(iii) granted in respect of all the right, title and interest (if any), present and future of the Acceding Chargor in and to the relevant Security Asset; and

(iv) granted in favour of the Security Trustee to hold on trust for and on behalf of the Secured Parties.

(b) **Fixed charges**

The Acceding Chargor charges by way of first fixed charge:

(i) all Land in England and Wales now vested in it and not registered at the Land Registry;

(ii) all Land in England and Wales now vested in it and registered at the Land Registry;

(iii) all other Land which is now, or in the future becomes, its property;

(iv) (to the extent that they are not Land) all plant, machinery, computers, vehicles, office or other equipment now or in the future owned by it and its interest in any plant, machinery, computers, vehicles, office or other equipment in its possession (but excluding any for the time being part of its stock-in-trade or work-in-progress) and the benefit of all contracts, licences and warranties relating to them;

(v) (to the extent not validly and effectively assigned pursuant to Clause 4(c)(i) (*Assignment*) below) all Rental Income and the benefit to the Acceding Chargor of all other rights and claims to which Acceding Chargor is now or may in the future become entitled in relation to the Land including (but not limited to) all rights and claims of the Acceding Chargor against all persons who now are or have been or may become lessees, sub-lessees, licensees or occupiers of any Land and all chargors and sureties for the obligations of such persons;

(vi) all Securities;

(vii) the Insurance Contracts together with all rights and interest in the Insurance Contracts (including the benefit of all claims arising and, to the extent not validly and effectively assigned pursuant to Clause 4(c)(vi) (*Assignment*) below, all monies payable under them);

(viii) all of its present and future goodwill;

(ix) all of its present and future uncalled capital;

(x) all of its present and future Intellectual Property Rights;

(xi) all trade secrets, confidential information and know-how owned or enjoyed by it now or in the future in any part of the world;

(xii) all other debts now or in the future owing to it save for those arising on fluctuating accounts with associates (as defined in section 345 of the Companies Act 2006);

(xiii) all of its present and future right, title, benefit and interest in and to each Fixed Charge Account and each related Deposit; and

(xiv) the benefit of all instruments, guarantees, charges, pledges and other rights now or in the future available to it as security in respect of any Asset itself subject to a fixed charge in favour of the Security Trustee.

(c) **Assignment**

The Acceding Chargor assigns and agrees to assign all of its right, title, estate and other interests in and to:

(i) the Rental Income and the benefit to the Acceding Chargor of all other rights and claims to which the Acceding Chargor is now or may in the future become entitled in relation to the Land including (but not limited to) all rights and claims of the Acceding Chargor against all persons who now are or have been or may become lessees, sub-lessees, licensees or occupiers of any Land and all chargors and sureties for the obligations of such persons;

(ii) the benefit of all guarantees, warranties and representations given or made by and any rights or remedies against all or any professional advisors now or at any time engaged by the Acceding Chargor in relation to any Land and the manufacturers, suppliers or installers of all plant, machinery, fixtures, fittings and other equipment now or from time to time in the buildings erected or to be erected on any Land and any other person, firm or company now or from time to time under contract with or under a duty to the Acceding Chargor and the benefit of all sums recovered in any proceedings against all or any of such persons;

(iii) the benefit of all Property Agreements and the proceeds of any claim, award or judgement arising out of any Property Agreement and all sums paid or payable to the Acceding Chargor under or in respect of any Property Agreement;

(iv) each Assigned Account and each related Deposit;

(v) (to the extent that any Intellectual Property Rights are not capable of being charged pursuant to Clause 4(b) (*Fixed charges*), whether by reason of lack of any third party consent which is required, or otherwise) its right, title and interest (if any) in and to any and all damages, compensation, remuneration, profit, rent, fees, royalties or income which it may derive from such Intellectual Property Rights or be awarded or entitled to in respect of such Intellectual Property Rights; and

(vi) any sums payable to it pursuant to any Insurance Contract,

provided that nothing in this Clause 4(c) shall constitute any Secured Party as a mortgagee in possession.

(d) **Floating charge**

(i) The Acceding Chargor charges by way of first floating charge all its present and future undertaking and Assets of whatever type and wherever located.

(ii) The floating charge created by the Acceding Chargor under Clause 4(d)(i) above shall be deferred in point of priority to all other security or security interests created under or pursuant to this Accession Deed.

(iii) The floating charge created by the Acceding Chargor under Clause 4(d)(i) above is a "qualifying floating charge" for the purposes of paragraph 14(2)(a) of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002). Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to this Accession Deed.

(e) **Attorney**

The Acceding Chargor, by way of security, irrevocably and severally appoints the Security Trustee (and any Receiver or Delegate appointed under this Accession Deed) to be its attorney in accordance with the provisions of Clause 17 (*Further Assurances*) of the Debenture and Cross Guarantee. The Acceding Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause 4(e).

5 **REPRESENTATIONS**

The Acceding Chargor makes the representations set out in Clause 8 (*Representations*) of the Debenture and Cross Guarantee on the date of this Accession Deed.

6 **CONSENT OF EXISTING CHARGORS**

The Chargors, acting by the Agent, agree to the terms of this Accession Deed and agree that its execution will in no way prejudice or affect any security granted by any of them by or under the Debenture and Cross Guarantee.

7 **NEGATIVE PLEDGE**

(a) The Acceding Chargor shall not, without the prior written consent of the Security Trustee:

(i) create, agree to create or permit to exist any trust, interest or Security Interest (howsoever ranking in point of priority) of any nature whatsoever (including such as arises by operation of law or any enactment) in, over or affecting all or any part of its Security Assets; or

(ii) subject to Clause 7(b) below, part with, grant or enter into a lease of, sell, transfer, assign or otherwise dispose of (including by way of declaration of trust) all or any part of its Security Assets or any interest in them or agree to do so.

(b) The Acceding Chargor undertakes to the Security Trustee that, save as expressly permitted by the Security Trustee in writing, it will not:

(i) create any mortgage or any fixed or floating charge or other security over any of the Floating Charge Assets (whether having priority over, or ranking *pari passu* with or subject to, the floating charges created by this Accession Deed and the Debenture and Cross Guarantee); or

(ii) sell, transfer, part with or dispose of any of the Floating Charge Assets except by way of sale in the ordinary course of business.

8 **IMPLIED COVENANTS OF TITLE**

The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to paragraphs (b) to (d) of Clause 4 (*Charges*) above. It shall be implied in respect of paragraphs (b) to (d) of Clause 4 (*Charges*) above that the Acceding Chargor is disposing of the Security Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

9 **OWNERSHIP**

The Acceding Chargor is the legal and beneficial owner of, and has good and marketable title to, its Security Assets, in each case, free from security (other than that created by or pursuant to this Accession Deed) and restrictions and onerous covenants.

10 **DELIVERY OF DOCUMENTS OF TITLE AND REGISTRATION**

(a) The Acceding Chargor shall, on the date of this Accession Deed deliver (or procure delivery) to the Security Trustee of, and the Security Trustee shall be entitled to hold and retain during the Security Period, all deeds, certificates and other documents of title relating to the property charged pursuant to this Accession Deed (including any lease or licences relating to it) where originals thereof are not required to be registered.

(b) The Acceding Chargor shall, at any time as required by the Security Trustee, execute and deliver to the Security Trustee any documents and transfers to constitute or perfect an equitable or legal charge or a pledge (at the Security Trustee's option) over any Securities, including uncertificated Securities within any clearing, transfer, settlement and/or depository system, and give any instructions and take any actions the Security Trustee may require to achieve this.

(c) The Acceding Chargor shall, if requested by the Security Trustee, execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property Rights.

(d) The Acceding Chargor undertakes to make or procure that there is made a due application to the Land Registry in respect of any Land that is registered land (with the Acceding Chargor's consent as proprietor of the relevant registered estate):

(i) to enter a restriction in the following terms on the relevant register of title:

"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 in the accession deed dated [ ] in favour of Barclays Security Trustee Limited (to hold on trust for and on behalf of the secured parties specified therein) as referred to in the charges register or their conveyancer"; and

(ii) to enter an obligation to make further advances on the relevant register of title.

(e) The Acceding Chargor certifies to the Land Registry that the Security Interest created under or pursuant to this Accession Deed does not contravene any of the provisions of the memorandum or articles of association or other constitutive documents of the Acceding Chargor.

(f) The Acceding Chargor shall, if requested by the Security Trustee, execute and deliver to the provider of any Insurance Contracts such notices and other documents as the Security Trustee may reasonably require in relation to the assignment by way of security.

(g) The Acceding Chargor undertakes not to amend, vary or waive the terms and conditions relating to any Insurance Contract without the prior written consent of the Security Trustee.

11 **CONTINUING SECURITY**

The security constituted by this Accession Deed shall be continuing, is made for securing further advances and will extend to the ultimate balance of the Secured Obligations, regardless of: (i) any intermediate payment or discharge in whole or in part; and (ii) any amendment, variation, restatement, assignment, replacement, refinancing, novation or departure (however substantial or material) of, to or from any document constituting any Secured Obligations.

12 **COUNTERPARTS**

This Accession Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original. All such counterparts will together constitute one instrument.

13 **GOVERNING LAW AND JURISDICTION**

Clause 32 (*Governing law and jurisdiction*) of the Debenture and Cross Guarantee shall be incorporated in this Accession Deed as if set out in full in this Accession Deed but so that references in that Clause to "this Deed" shall be construed as references to this Accession Deed.

14 **[SERVICE OF PROCESS**

(a) The Civil Procedure Rules regarding service and deemed service will not apply to any letter or other communication notifying a claim or serving legal proceedings under or in connection with the Debenture and Cross Guarantee or this Accession Deed, which shall instead be served in accordance with Clause 30 (*Notices, Communications and Demands*) of the Debenture and Cross Guarantee and/or this Clause 14.

(b) Without prejudice to any other mode of service allowed under the Debenture and Cross Guarantee or this Accession Deed, the Acceding Chargor:

(i) irrevocably appoints [name process agent] (the ***Process Agent***) as its agent for service of process in relation to any proceedings before the English courts in connection with the Debenture and Cross Guarantee and this Accession Deed [and the Acceding Chargor confirms that the Process Agent has accepted such appointment][1]; and

(ii) agrees that failure by an agent for service of process to notify the Acceding Chargor of the process will not invalidate the proceedings concerned.

(c) If the Process Agent is unable for any reason to act as agent for service of process, the Acceding Chargor must immediately (and in any event within 7 days of such event taking place) appoint another agent on terms acceptable to the Security Trustee. Failing this, the Security Trustee may appoint another agent for this purpose.

(d) The Acceding Chargor expressly agrees and consents to the provisions of this Clause 14.

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[1] Wording in square brackets to be inserted if the Process Agent will not sign this Accession Deed.

(e) [The Process Agent, by its execution of this Accession Deed, confirms its appointment as agent for service of process in relation to any proceedings before the English courts in connection with this Accession Deed.][2][3]

You are <u>strongly recommended</u> to seek independent legal advice <u>before</u> signing.

This Accession Deed has been executed as a deed by the Acceding Chargor and the Agent and signed by the Security Trustee and is delivered on the date stated at the beginning of this Accession Deed.

*[***Execution blocks for Barclays Bank PLC, the Agent, the Acceding Chargor [and the Process Agent][4] to be inserted***]*

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2 Wording in square brackets to be inserted if the Process Agent will sign this Accession Deed.

3 To be inserted if the Acceding Chargor is incorporated in a jurisdiction other than England and Wales.

4 Signature block for Process Agent to be included if (i) the Acceding Chargor is incorporated in a jurisdiction other than England and Wales and (ii) the Process Agent will countersign the Accession Deed.

SCHEDULE 3 - WAIVER OF DEFENCES AND DEFERRAL OF RIGHTS

15 **Construction**

Each Chargor acknowledges and agrees that the guarantee constituted by this Deed shall be deemed to be granted by each Chargor to each Finance Party separately, as if each such guarantee is constituted by a separate instrument entered by the Chargors and such Finance Party (such Finance Party being the Beneficiary), solely for the benefit of that Beneficiary. Any reference to "the guarantee" in this Schedule 3 shall, accordingly, be construed as a reference to each such separate guarantee, and any reference to "the Beneficiary" shall be construed as a reference to the beneficiary under the guarantee granted by the Chargors in such Beneficiary's favour.

16 **Continuing Guarantee and Continuing Security**

(a) The liability of each Chargor shall not be discharged or impaired in any way (i) by reason of the invalidity, avoidability, voidability or unenforceability as regards any other of those persons or entities to this Deed or (ii) by the Security Trustee or any other Secured Party releasing, discharging, compounding with or varying the liability hereunder of, or making any other arrangement with, any other of those persons or entities or (iii) any change in the constitution of any other of those persons or entities.

(b) The security and guarantee constituted by this Deed shall be a continuing security and a continuing guarantee and shall extend to the ultimate balance of the Secured Obligations and to the performance in full of any and all obligations secured and guaranteed under this Deed, regardless of any intermediate payment or discharge in whole or in part.

(c) If this Deed ceases to continue in force, the Security Trustee or any other Secured Party may open a new account, or continue any existing account, for each Chargor and the liability of that Chargor in respect of the Secured Obligations at the date on which this Deed ceases shall remain regardless of any payments in or out of any such account.

(d) If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any Security for those obligations or otherwise) is made by the Security Trustee or any other Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, bankruptcy, liquidation, administration or analogous procedure or otherwise, without limitation, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

17 **Immediate Recourse**

Each Chargor waives any right it may have of first requiring the Security Trustee or any other Secured Party to proceed against or enforce any other rights or security or claim payment from any person (including any other Chargor) before claiming from a Chargor under the guarantee

constituted by this Deed. The waiver applies irrespective of any law or any provision to the contrary.

18 **Discharge and release**

(a) The security and guarantee constituted by this Deed may be discontinued and the liability under it crystallised at the expiration of three months after receipt by the relevant Secured Party from a Chargor of notice in writing to discontinue it (such period being the ***Notice Period***). The amounts payable on crystallisation (the ***Crystallisation Amount***) will include:

(i) all commitments of a Chargor that may become actual liabilities in the future;

(ii) all liabilities of a Chargor incurred during the Notice Period; and

(iii) any interest, fees and other charges which any Chargor owes the Finance Party at the end of the Notice Period but which are not actually charged to any Chargors' account until later.

(b) Following payment of the Crystallisation Amount in full by the Chargor serving a discontinuence notice in accordance with paragraph 18(a) of this Schedule 3 (the ***Retiring Chargor***):

(i) the Retiring Chargor shall be released by each other Chargor (together, the ***Continuing Chargors***) from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any Continuing Chargor arising by reason of the performance by any Continuing Chargor of its obligations under this Deed;

(ii) each Continuing Chargor waives any rights it may have by reason of the performance of its obligations under this Deed to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee or any other Secured Party or of any security taken pursuant to or in connection with this Deed or any Secured Liability, where such rights or security are granted by or in relation to the assets of the Retiring Chargor; and

(iii) the discontinuance of the Retiring Chargor's obligations under this Deed pursuant to Clause 18(a) of this Schedule 3 does not affect the obligations of the remaining Chargors under the guarantee constituted by this Deed.

(c) If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any Security for those obligations or otherwise) is made by the relevant Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or analogous procedure or otherwise, without limitation, then the

liability of any Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

19 **Waiver of Defences**

(a) None of the liabilities or obligations of any Chargor under the security and guarantee constituted by this Deed shall be impaired by a Secured Party:

(i) agreeing any amendment, variation, restatement, assignment, replacement, refinancing, novation or departure (however substantial or material) of, to or from any document so that any such amendment, variation, restatement, assignment, replacement, refinancing, novation or departure (including any which may have been made before the signing of this Deed) shall, whatever its nature, be binding upon each Chargor in all circumstances, notwithstanding that it may increase or otherwise affect the liability of any Chargor;

(ii) releasing or granting any time or any indulgence of any (including, without limitation, the waiver of any preconditions for drawing under, or of any breach of, any document), or entering into any transaction or arrangements whatsoever with or in relation to any Chargor and/or any third party;

(iii) taking, accepting, varying, dealing with, enforcing, abstaining from enforcing, surrendering or releasing any security, right of recourse, set off or combination or other right or interest held by a Secured Party for the Secured Obligations and any other obligations secured and guaranteed under this Deed in such manner as the relevant Secured Party thinks fit;

(iv) claiming, proving for, accepting or transferring any payment in respect of the Secured Obligations and any other obligations secured and guaranteed under this Deed in any composition by, or winding up of, any principal obligor and/or any third party or abstaining from so claiming, proving for, accepting or transferring; or

(v) amalgamating with any other company or person whether the new company thus formed shall or shall not differ in its name, objects, character and constitution from the Secured Party, it being the intent that this Deed shall remain valid and effectual in all respects and for all purposes in favour of and with reference to any such new company when formed, and may be proceeded on and enforced in the same manner to all intents and purposes as if such new company had been expressly named in and referred to herein instead of the Secured Party.

(b) Each Chargor expressly confirms that it intends that the security and guarantee constituted by this Deed shall extend from time to time to any (however fundamental) variation, renewal, replacement, refinancing, increase, extension or addition of or to any of documents and/or any facility or amount made available under any of the documents including, without limitation, any variation or extension

of the purposes for which any facility or amount might be made available from time to time and any fees, costs and/or expenses associated with the foregoing.

20 **No deductions**

All amounts payable under the security and guarantee constituted by this Deed shall be made in full without any deduction or withholding whatsoever (whether in respect of set off, counterclaim, duties, taxes, charges or otherwise) unless such deduction or withholding is required by law, in which event the relevant Chargor shall pay the Secured Party an additional amount so that the net amount received by the Secured Party will equal the full amount which the Secured Party would have received had no such deduction or withholding been made.

21 **Preservation of the rights of the Beneficiary**

(a) The security and guarantee constituted by this Deed is to be in addition to and is not to prejudice or be prejudiced by any other guarantee or security (including any other guarantee or security signed by a Chargor which the Security Trustee or any other Secured Party may hold now or in the future). Each Chargor will remain liable under the security and guarantee constituted by this Deed whether or not any other guarantee or security is valid and enforceable or continues in force.

(b) If a Secured Party receives any payment or security from a Chargor or any other person and a Secured Party is later ordered under insolvency laws to restore the position to what it would have been had it not received that payment or security, each Chargor will be liable as if the Secured Party had never received the payment or security.

22 **Suspense account**

The relevant Secured Party may at any time and for such time as it thinks fit place and keep any amounts received, recovered or realised under the security and guarantee constituted by this Deed or under such other guarantee or security, to the credit of an account of a Chargor or of such other person (if any) as the relevant Secured Party thinks fit (without liability to pay interest thereon), and the relevant Secured Party is not obliged to apply any amount so received in or towards the discharge of the Secured Obligations.

23 **Deferral of Rights**

(a) Until the end of the Security Period, a Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

(i) to be indemnified by a Chargor or in respect of any other person;

(ii) to claim any contribution from any guarantor or other person in respect of the Secured Obligations;

(iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee or any other Secured Party under any document or of any guarantee or Security taken pursuant

to, or in connection with, the Secured Obligations by the Security Trustee or any other Secured Party;

(iv) to bring legal or other proceedings for an order requiring a Chargor or any other person to make any payment, or perform any obligation, in respect of which a Chargor or any other person has given a guarantee, undertaking or indemnity;

(v) to exercise any right of set-off against any Chargor or any other person; and/or

(vi) to claim or prove as a creditor of any Chargor or other person in competition with the Security Trustee or any other Secured Party.

(b) If a Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Party by the Chargors to be repaid in full on trust for the Secured Party and shall promptly pay or transfer the same to the Secured Party or as the Secured Party may direct for application.

SCHEDULE 4 - FORM OF NOTICE OF SECURITY TO ACCOUNT BANK

To: *Account Bank/other financial institution*

Date: [ ]

Dear Sirs,

We give you notice that, by a debenture and cross guarantee dated [•] (***Debenture and Cross Guarantee***) we have assigned to Barclays Security Trustee Limited (the ***Security Trustee***) all of our rights, title and interest in and to the accounts listed below maintained with your [*Account Bank/other financial institution*] (including any renewal, redesignation, replacement, subdivision or subaccount of such accounts) and the debt or debts represented thereby:

Account Name: [•]

Sort Code: [•]

Account No.: [•]

[*repeat list as necessary*]

(the ***Accounts***)

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

With effect from the date of your receipt of this notice:

(a) any existing payment instructions affecting the above Accounts are to be terminated and all payments and communications in respect of the Accounts should be made to the Security Trustee or to its order (with a copy to us); and

(b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Accounts belong to the Security Trustee.

This letter and all non-contractual obligations arising out of or in connection with it are governed by, and will be construed in accordance with, the laws of England and Wales.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at [•] marked for the attention of [•].

Yours faithfully

[Please note that this notice is only to be completed if: (i) it has been agreed that you are providing security over an account held with another bank or financial institution; or (ii) upon request by the Bank.]

: .....

for and on behalf of

[*Enter Chargor Name*]

(Repeat additional signature blocks as required)

Form of Acknowledgement of Notice
of Assignment by Account Bank

To: Barclays Security Trustee Limited (the ***Security Trustee***)

Date: [•]

Dear Sirs

We confirm receipt from [*Enter Chargors Names*] (the ***Assignors***) of a notice dated [•] of an assignment upon the terms of a Debenture and Cross Guarantee dated [•] of all of each Assignor's right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following accounts which are maintained with us and the debt or debts represented thereby:

[*List relevant accounts here*]

(the ***Accounts***).

We confirm that the balance standing to the Accounts at today's date is [•], no fees or periodic charges are payable in respect of the Accounts and there are no restrictions on (a) the payment of the credit balance on the Accounts (except, in the case of a time deposit, the expiry of the relevant period) or (b) the creation of Security over the Accounts in favour of the Security Trustee or any third party.

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts and security in respect of any Accounts and similar rights (however described) which we may have now or in the future in respect of each of the Accounts or the balance thereon to the extent that such rights relate to amounts owed to us by the Assignors.

We confirm that we have not received notice of the interest of any third party in any of the Accounts and will not, without the Security Trustee's prior written consent, amend or vary any rights attaching to the Accounts.

We will act only in accordance with the instructions given by persons authorised by the Security Trustee and we shall send all statements and other notices given by us relating to the Accounts to the Security Trustee.

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

Yours faithfully,

.....

for and on behalf of

[*Account Bank/other financial institution*]

EXECUTION PAGES

For and on behalf of Barclays Bank UK PLC



Paul Jury
Director of Lending Operations

For and on behalf of Barclays Bank PLC



Paul Jury
Director of Lending Operations

For and on behalf of Barclays Mercantile Business Finance Limited



Angela Ottaway
Director of Asset Finance

For and on behalf of Barclays Security Trustee Limited



Paul Jury
Director of Lending Operations

For and on behalf of Barclays Bank UK PLC
as Barclays Account Bank



Paul Jury
Director of Lending Operations

The Chargors:

EXECUTED as a **DEED** by **Sutura Group Limited** acting by two directors/a director and its secretary



Signature of Director

James Fisc Hee

Name of Director (in BLOCK CAPITALS)



Signature of Director/Secretary

James Reed.

Name of Director/Secretary (in BLOCK CAPITALS)

EXECUTED as a **DEED** by **K T Health Limited** acting by two directors/a director and its secretary

[redacted]

Signature of Director

K. L/ARBC

Name of Director (in BLOCK CAPITALS)

[redacted]

Signature of Director/Secretary

IAN CLAYBOURN

Name of Director/Secretary (in BLOCK CAPITALS)

EXECUTED as a **DEED** by **The Ryes College Limited** acting by two directors/a director and its secretary

[redacted]

Signature of Director

K. L/a, LC

Name of Director (in BLOCK CAPITALS)

[redacted]

Signature of Director/Secretary

MARIA MARQUES-NEVES

Name of Director/Secretary (in BLOCK CAPITALS)

The Agent:

EXECUTED as a **DEED** by **Sutura Group Limited** acting by two directors/a director and its secretary

[redacted]

Signature of Director

JAMES FISCHER

Name of Director (in BLOCK CAPITALS)

[redacted]

Signature of Director/Secretary

James Reed.

Name of Director/Secretary (in BLOCK CAPITALS)