



Registration of a Charge

Company name: **VF2 HOLDINGS LTD**

Company number: **11189860**

Received for Electronic Filing: **03/05/2018**



X7578FEY

Details of Charge

Date of creation: **25/04/2018**

Charge code: **1118 9860 0001**

Persons entitled: **RM CAPITAL MARKETS LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **FREETHS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11189860

Charge code: 1118 9860 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th April 2018 and created by VF2 HOLDINGS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd May 2018 .

Given at Companies House, Cardiff on 4th May 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**

FREETHS

DATED

25 April

2018

- (1) VF2 HOLDINGS LTD
- (2) VF2 LTD
- (3) RM CAPITAL MARKETS LIMITED

SHAREHOLDER'S SECURITY AGREEMENT –
SHARE CHARGE

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This Deed is made on

25 April

2018

Between

- (1) **VF2 HOLDINGS LTD** (the "**Chargor**"), a company incorporated in England and Wales (with registered company number 11189860) whose registered office is at A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS;
- (2) **VF2 LTD** (the "**Company**"), a company incorporated in England and Wales (with registered company number 11192006) whose registered office is at A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS; and
- (3) **RM CAPITAL MARKETS LIMITED** (the "**Security Agent**"), a company incorporated in Scotland (with registered company number SC380707) whose registered office is at 7 Melville Crescent, Edinburgh EH3 7JA, as agent and security trustee for itself and each of the other Secured Parties (as defined below), which expressions shall include all successors, assignees and transferees from time to time.

It is agreed

1 Definitions and interpretation

1.1 Definitions

In this Deed:

Loan Note Instrument means the loan note instrument dated on or around the date of this Deed between (1) the Company as issuer and (2) the Security Agent as subscriber (as varied, amended, restated, novated, supplemented, extended, modified and/or replaced from time to time);

Party means a party to this Deed;

Permitted Security means the security created by this Deed and any other security permitted under the Loan Note Instrument;

Receiver means any receiver, manager or administrative receiver appointed by the Security Agent over any of the Secured Assets or in respect of the Chargor;

Related Rights means in respect of any Share:

- (a) all monies paid or payable in respect of that Share (whether as income, capital or otherwise);
- (b) all shares, investments or other assets derived from that Share; and
- (c) all rights derived from or incidental to that Share;

Relevant Jurisdiction means, in relation to the Chargor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it;

Secured Assets means all of the assets and undertaking of the Chargor from time to time the subject of any Security created by or under this Deed in favour of the Security Agent (whether for its own account or as agent or trustee for the Secured Parties);

Secured Obligations means all monies and liabilities now or after the date of this Deed due owing or incurred to the Security Agent (whether for its own account or as agent or trustee for the Secured Parties):

- (a) by the Company (or any of them) under the Notes Documents (or any of them); and/or
- (b) by the Chargor under this Deed;

in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Secured Party under any Notes Document except for any obligation which, if it were included here, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction;

Secured Parties means:

- (a) each Noteholder;
- (b) the Security Agent; and
- (c) a Receiver or any delegate;

Security Period means the period beginning on the date of this Deed and ending on the date on which the Secured Obligations have been irrevocably and unconditionally satisfied in full in the opinion of the Security Agent (acting reasonably) and the availability of Note issues under the Notes Documents (or any of them) has expired and/or been cancelled; and

Shares means all shares in the Company present and future held by the Chargor.

1.2 Interpretation

- (a) Unless otherwise defined in this Deed, a term defined in the Loan Note Instrument has the same meaning when used in this Deed or any notices, acknowledgements or other documents issued under or in connection with this Deed.
- (b) In this Deed, the term:
 - (i) **dispose** includes any sale, lease, licence, transfer or loan; and
 - (ii) **assets** includes present and future properties, revenues and rights of every description (including any right to receive such revenues).
- (c) Clause 1.2 of the Loan Note Instrument is incorporated in this Deed as if set out here in full but so that each reference in that clause to this Instrument shall be read as a reference to this Deed.

1.3 Third Party Rights

- (a) Unless expressly provided to the contrary in any Notes Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other Notes Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) Unless expressly provided to the contrary in any Notes Document, the consent of any person who is not a Party is not required to rescind or vary this Deed or any other Notes Document entered into under or in connection with it.

2 Covenant to pay

The Chargor as a primary obligor and not merely as surety covenants in favour of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) that it will pay, discharge and perform the Secured Obligations when they become due, subject to the provisions of clause 17.

3 Charging provisions

3.1 General

All Security created by the Chargor under clause 3.2 is:

- (a) 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 the Chargor in and to the relevant Secured Assets; and
- (d) granted in favour of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties).

3.2 Fixed charge

The Chargor charges by first fixed charge the Shares and all Related Rights.

3.3 Provisions relating to charge

- (a) The Chargor gives the Company notice that pursuant to this Deed it has charged by way of fixed charge in favour of the Security Agent, as first priority chargee, all of its rights, title and interest in the Shares and the Related Rights.
- (b) The Chargor further irrevocably and unconditionally:
 - (i) notifies the Company that it may not do anything with respect to the Shares or Related Rights which is prohibited by clauses 5 or 6 of this Deed;
 - (ii) confirms that, subject to clause 3.3(b)(i) above, the Company may continue to deal with the Chargor in relation to the Shares and the Related Rights (provided that the Chargor complies with her/his/its obligations pursuant to clause 9.3 until the Company receives written notice to the contrary from the Security Agent that

a Loan Note Event of Default has occurred and is continuing, and further authorise and instruct the Company that, after the Company has received such notice, the Chargor will cease to have any right to deal with the Company in relation to the Shares and the Related Rights except in accordance with clause 9.4 or the instructions of the Security Agent and therefore from that time the Company may deal directly with the Security Agent;

- (iii) authorises and instructs the Company to disclose information in relation to the Shares or the Related Rights to the Security Agent promptly on reasonable request;
 - (iv) authorises and instructs the Company following receipt of notice by the Company from the Security Agent that the Company is no longer entitled to deal with the Chargor in relation to the Shares and the Related Rights and that a Loan Note Event of Default has occurred and is continuing to pay or release all monies to which it is entitled in connection with the Shares and the Related Rights directly into such account as the Security Agent shall specify;
 - (v) authorises and instructs the Company that, whenever the Company serves any notice upon the Chargor in connection with the Shares or the Related Rights, the Company should supply a copy of such notice to the Security Agent at its address in the parties clause above (or as otherwise notified to the Company by it from time to time);
 - (vi) notifies to the Company that the provisions of this clause 3.3 may only be waived or revoked with the written consent of the Security Agent; and
- (c) The Company acknowledges receipt of the notice provided pursuant to clause 3.3(a) above on the date of this Deed and:
- (i) accepts the instructions and authorisations set out in the notice and undertakes to act in accordance with such instructions and authorisations; and
 - (ii) confirms that it has not received notice that the Chargor has assigned its rights in respect of the Shares or the Related Rights to a third party or created any other interest (whether by way of security or otherwise) in respect of the Shares or the Related Rights in favour of a third party.

4 General security provisions

4.1 Continuing security

The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Chargor or any other person of the whole or any part of the Secured Obligations.

4.2 Additional security

This Deed is in addition to and is not in any way prejudiced by any other guarantee or Security now or subsequently held by the Security Agent (whether for its own account or as agent or trustee for the Secured Parties).

4.3 Settlements conditional

- (a) If the Security Agent (acting reasonably) believes that any amount paid by any person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.
- (b) Any settlement, discharge or release between the Chargor and any Secured Party shall be conditional upon no Security or payment to or for the Security Agent (whether for its own account or as agent or trustee for the Secured Parties) by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

4.4 Waiver of defences

The liability of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause 4.4, would reduce, release or prejudice any of its liability under this Deed (without limitation and whether or not known to it or the Security Agent) including:

- (a) any time, waiver or consent granted to, or composition with, the Company, any Security Provider or other person;
- (b) the release of the Company, any Security Provider or any other person under the terms of any composition or arrangement with any creditor of the Company any Security Provider or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Company, any Security Provider or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company, any Security Provider or any other person;
- (e) any amendment (however fundamental) or replacement of a Notes Document or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Notes Document or any other document or Security; or
- (g) any insolvency/bankruptcy or similar proceedings.

4.5 Chargor Intent

Without prejudice to the generality of clause 4.4, the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Notes Documents and/or any facility or amount made available under any of the Notes Documents for the purposes of or in connection with any of the following:

- (a) any Note issue;
- (b) acquisitions of any nature;

- (c) increasing working capital;
- (d) enabling investor distributions to be made;
- (e) carrying out restructurings;
- (f) refinancing existing facilities;
- (g) refinancing any other indebtedness;
- (h) making facilities available to the Company and/or any End-Borrower;
- (i) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (j) any fees, costs and/or expenses associated with any of the foregoing.

4.6 Immediate recourse

The Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before enforcing its rights under this Deed. This waiver applies irrespective of any law or any provision of a Notes Document to the contrary.

4.7 Appropriations

Until all amounts which may be or become payable by the Company or any Security Provider under or in connection with the Notes Documents have been irrevocably paid in full, the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) may:

- (a) refrain from applying or enforcing any other monies, Security or rights held or received by the Security Agent (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

4.8 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Company or any Security Provider under or in connection with the Notes Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Notes Documents:

- (a) to be indemnified by the Company or any Security Provider;
- (b) to claim any contribution from any guarantor of, or person providing Security for, the Company or any Security Provider's obligations under the Notes Documents; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent (or any trustee or agent on its behalf) under the Notes Documents or of any other guarantee or Security taken pursuant to, or in

connection with, the Notes Documents by the Security Agent (or any trustee or agent on its behalf).

5 Negative pledge

- 5.1 The Chargor shall not create nor permit to subsist any Security over any of the Secured Assets.
- 5.2 The Chargor shall not sell, transfer or otherwise dispose of any of the Secured Assets on terms whereby they are or may be re-acquired by the Chargor or in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.

6 Restrictions on disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, assign, lend, factor, pledge, charge, exchange or otherwise dispose of any of the Secured Assets nor permit any other person to do any such thing.

7 Further assurance

- 7.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver may reasonably specify (and in such form as the Security Agent or any Receiver may reasonably require) in favour of the Security Agent or its nominee(s):
- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to this Deed or by law; and/or
 - (b) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed.
- 7.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.
- 7.3 Any document required to be executed, or action to be taken, by the Chargor under this clause 7 will be prepared at the cost of the Chargor.

8 Representations

The Chargor makes the representations set out in this clause 8 to and for the benefit of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties).

8.1 Status

- (a) It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

8.2 Binding obligations

- (a) The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.
- (b) Without limiting the generality of clause (a), this Deed creates the Security which this Deed purports to create and the Security is valid and effective.

8.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security contemplated by this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument where such conflict has or is reasonably likely to have a Material Adverse Effect.

8.4 Power and authority

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

8.5 Validity and admissibility in evidence

All authorisations required or desirable:

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

have been obtained or effected and are in full force and effect except any authorisation referred to in clause 8.8 (No filing or stamp taxes) which authorisations will be promptly obtained or effected after the date of this Deed.

8.6 Acting as principal

It is acting in all matters relating to this Deed as principal for its own account and not as agent or trustee or in any other capacity whatsoever on behalf of any third party.

8.7 Governing law and enforcement

- (a) The choice of English law as the governing law of this Deed will be recognised and enforced in all relevant jurisdictions.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and enforced in all relevant jurisdictions.

8.8 No filing or stamp taxes

Save as noted in the Loan Note Instrument, it is not necessary under the laws of any relevant jurisdictions that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Deed or the transactions contemplated by this Deed.

8.9 Good title to assets

It has a good, valid and marketable title to the Secured Assets, in each case, free from Security.

8.10 Legal and beneficial ownership

- (a) The Chargor is the sole legal and beneficial owner of the assets over which it purports to grant Security.
- (b) Each Secured Asset is legally and beneficially owned by the Chargor free from any claims, third party rights or competing interests other than Security created under the Security Documents.
- (c) No breach of any law or regulation is outstanding which adversely affects or might adversely affect the value of any Secured Asset.

8.11 Shares

- (a) The Shares are fully paid.
- (b) No Secured Asset is subject to any option to purchase or similar rights.
- (c) As at the date of this Deed, none of the Shares is in an uncertificated form.
- (d) The constitutional documents of the Company do not restrict or inhibit any transfer of the Secured Assets on creation or enforcement of this Security.

8.12 Repetition

The representations and warranties in this clause 8 are deemed to be made by the Chargor by reference to the facts and circumstances then existing on:

- (a) the date of this Deed;
- (b) the date of each Issue Notice;
- (c) each Subscription Date; and
- (d) each Interest Payment Date.

9 Undertakings

9.1 Duration

The Chargor undertakes to and for the benefit of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) in accordance with this clause 9. The undertakings in this clause 9 shall remain in force during the Security Period.

9.2 Authorisations

It shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Security Agent of,

any authorisation required under any law or regulation of a relevant jurisdiction to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence of this Deed.

9.3 **Shares**

- (a) On the later of:

- (i) the date of this Deed; and
- (ii) the date of acquisition by the Chargor of any Shares or Related Rights,

the Chargor shall:

- (A) deliver to the Security Agent all certificates of title and other documents of title or evidence of ownership in respect of its Shares and the Related Rights; and
 - (B) deliver to the Security Agent such transfer documents (with the transferee left blank) or any other documents as the Security Agent may require in respect of its Shares and Related Rights.
- (b) Until the Security Agent takes any steps under clause 9.4(a) or takes any enforcement action under clause 11.2 (Acts of enforcement), the Chargor shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of the Shares and Related Rights.
- (c) The Chargor shall not exercise its voting and other rights in respect of the Shares and Related Rights in a manner which is likely to be prejudicial to the interests of the Secured Parties or in any way that would breach any provision of the Loan Note Instrument, any Notes Document or this Deed.
- (d) The Chargor shall make all payments which may become due and payable in respect of any of the Shares and Related Rights. If the Chargor fails to make any such payments, the Security Agent may but shall not be obliged to make such payment on behalf of the Chargor. Any sums so paid by the Security Agent shall be repayable by the Chargor to the Security Agent on demand.
- (e) The Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of the Shares and Related Rights and the Security Agent shall not be required to perform or fulfil any obligation of any Chargor in respect of the Shares or Related Rights.
- (f) The Chargor shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of each Company in respect of or in connection with the Shares or Related Rights and will promptly provide to the Security Agent a copy of that notice.

- (g) It shall promptly provide to the Security Agent a copy of all other notices, reports, accounts and circulars received by it in respect of or in connection with any of the Secured Assets.
- (h) The Chargor shall ensure that none of the Shares are converted into uncertificated form without the prior written consent of the Security Agent.
- (i) Immediately on conversion of any Shares or Related Rights from a certificated to an uncertificated form, and on the acquisition of any Shares or Related Rights in an uncertificated form, the Chargor shall give such instructions or directions and take such other steps and enter into such documentation as the Security Agent may require in order to protect or preserve the Security intended to be created by this Deed.

9.4 Following a Loan Note Event of Default

- (a) If a Loan Note Event of Default is continuing, the Chargor shall within 3 Business Days of a request by the Security Agent:
 - (i) deliver to the Security Agent such stock transfer forms or other transfer documents as the Security Agent may require to enable the Security Agent or its nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Shares and/or Related Rights referred to in such request;
 - (ii) provide to the Security Agent certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Security Agent may reasonably require;
 - (iii) procure that, promptly following their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Shares and/or Related Rights, are delivered to the Security Agent in each case showing the registered holder as the Security Agent or its nominee or nominees (as applicable); and/or
 - (iv) exercise all voting rights in respect of the Shares and Related Rights only in accordance with the instructions of the Security Agent.
- (b) If the Chargor receives any dividends, distributions or other monies in respect of the Shares and Related Rights at a time when the Security Agent has made a request under clause 9.4(a) or taken any enforcement steps under clause 9.4 or clause 11.2 (Acts of enforcement), the Chargor shall immediately pay such sums received directly to the Security Agent for application in accordance with clause 14 (Application of monies) and shall hold all such sums on trust for the Security Agent pending payment of them to such account as the Security Agent shall direct.
- (c)
 - (i) At any time while a Loan Note Event of Default is continuing; or
 - (ii) if the Security Agent reasonably considers that any Security created by or under this Deed is in jeopardy,

the Security Agent may complete the transfer documents delivered to it under clause 9.3 or take any other necessary steps to vest the Shares and Related Right in itself or such other person or nominee as it shall select.

- (d) At any time while a Loan Note Event of Default is continuing or at all times after any steps are taken to enforce the Security created by or under this Deed, the Security Agent and its nominee or nominees may:
- (i) exercise all voting and other rights and power (including without limitation) all the powers given to trustees by the Trustee Act 2000 in respect of the Shares and Related Rights of the Chargor and all powers to arrange meetings, pass resolutions and appoint or remove directors and the Chargor shall not exercise any such rights;
 - (ii) sell all or any of the Shares or Related Rights of the Chargor in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine;
 - (iii) collect, recover or compromise and give a good discharge for any monies payable to the Chargor in respect of the Shares or Related Rights; and
 - (iv) act generally in relation to the Shares and Related Rights of the Chargor in such manner as the Security Agent shall determine.

9.5 Retention of documents

The Security Agent may retain any document delivered to it pursuant to clause 9.3 or otherwise until the Security created by this Deed is released and if for any reason it ceases to hold any such document before such time, it may by notice to the Chargor require that the relevant document be redelivered to it and the Chargor shall promptly comply (or procure compliance) with such notice.

9.6 General

The Chargor shall not do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Secured Parties of the Security created by or under this Deed.

10 Security power of attorney

The Chargor, by way of security, irrevocably and unconditionally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed but has failed to so take within 5 Business Days following a request by the Security Agent. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 10.

11 Enforcement of security

11.1 When security is enforceable

On the occurrence of any Loan Note Event of Default which is continuing, the Security created by and under this Deed shall be immediately enforceable.

11.2 Acts of enforcement

The Security Agent may, in its absolute discretion, at any time when the Security created by or under this Deed is enforceable:

- (a) enforce all or any part of the Security created by or under this Deed in any manner it sees fit;
- (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed and rights or powers conferred on a Receiver by this Deed whether or not it has taken possession of, or appointed a Receiver to any of, the Secured Assets;
- (c) appoint one or more persons to be a Receiver to all or any part of the Secured Assets;
- (d) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed);
- (e) sell all or any of the Secured Assets in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine; and/or
- (f) apply all dividends and other monies received in respect of the Secured Assets as though they were proceeds of sale.

11.3 Right of Appropriation - Syndicated

To the extent that the Security created by this Deed constitutes a "security financial collateral arrangement" and the Secured Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (**Regulations**), the Security Agent shall have the right on giving prior notice to the Chargor, at any time after the Security created by this Deed becomes enforceable, to appropriate all or any part of those Secured Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Secured Assets shall be determined by the Security Agent by reference to any available publicly available market price in the absence of which by such other means as the Security Agent (acting reasonably) may select including, without limitation, an Independent valuation. For the purpose of Regulation 18(1) of the Regulations, the Chargor agrees that any such determination by the Security Agent will constitute a valuation "in a commercially reasonable manner".

11.4 Statutory Powers - General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- (c) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and receivers.

11.5 Contingencies

If the Security Agent enforces the Security constituted by or under this Deed at a time when no amounts are due to the Noteholders and/or the Security Agent under the Notes Documents but at a time when amounts may or will become so due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

11.6 Mortgagee in possession - no liability

Neither the Security Agent nor any Receiver shall be liable to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable.

11.7 Redemption of prior mortgages

At any time after the Security created by or under this Deed has become enforceable, the Security Agent may, at the sole cost of the Chargor (payable to the Security Agent on demand):

- (a) redeem any prior form of Security over any Secured Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

12 Receiver

12.1 Appointment of Receiver

- (a)
 - (i) At any time after any Security created by or under this Deed is enforceable, the Security Agent may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 11.2(c) (Acts of enforcement).
 - (ii) At any time if so requested in writing by the Chargor, without further notice, the Security Agent may appoint one or more persons to be a Receiver of all or any part of the Secured Assets as if the Security Agent had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.
- (b) Any Receiver appointed under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Security Agent be in any way responsible for any misconduct, negligence or default of the Receiver.
- (c) Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 of the Insolvency Act 1986 (i) obtaining a moratorium, or (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 of the Insolvency Act 1986 shall not be grounds for appointment of a Receiver.

12.2 Removal

The Security Agent may by written notice remove from time to time any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

12.3 Powers of Receiver

- (a) General

- (i) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 12.3.
 - (ii) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
 - (iii) A Receiver may, (in the name of the Chargor):
 - (A) do all other acts and things which he may consider expedient for realising any Secured Asset; and
 - (B) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.
- (b) Borrow monies
- A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any monies so raised or borrowed.
- (c) Compromise
- A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor relating in any way to any Secured Asset.
- (d) Delegation
- A Receiver may delegate his powers in accordance with clause 13 (Delegation).
- (e) Employees
- For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Chargor or for itself as Receiver, may:
- (i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
 - (ii) discharge any such persons appointed by the Chargor.
- (f) Legal actions
- A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Chargor in relation to any Secured Asset as he considers expedient.
- (g) Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

(h) Sale of assets

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit.

(i) Deal with Secured Assets

A Receiver may, without restriction vary the terms of or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration, and the Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(j) Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

(k) Incidental Matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Chargor for all the purposes set out in this clause 12.

12.4 Remuneration

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it.

13 Delegation

- 13.1 The Security Agent and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Agent and the Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Agent and Receiver (as appropriate) may think fit.

- 13.2 The Lender and any Receiver will not be liable or responsible to the Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate (other than any losses, liabilities or expenses arising from any negligence or wilful default of that delegate).

14 Application of monies

- 14.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

- 14.2 All monies received by the Security Agent or any Receiver under this Deed shall be applied in the following order:

- (a) in discharging any sums owing to the Security Agent, any Receiver or any delegate;
- (b) in payment of all costs and expenses incurred by the Security Agent in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of the Loan Note Instrument and any other Notes Document;
- (c) in or to the Security Agent to be applied in or toward payment of the Secured Obligations in accordance with the terms of the Loan Note Instrument; and
- (d) the balance (if any) will be applied as required by law.

- 14.3 The Security Agent and any Receiver may place any money received, recovered or realised pursuant to this Deed in or at an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

15 Protection of third parties

- 15.1 No person (including a purchaser) dealing with the Security Agent or its agents has an obligation to enquire of the Security Agent, any Receiver or others:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power purported to be exercised has become exercisable;
- (c) whether any Secured Obligations or other monies remain outstanding;
- (d) how any monies paid to the Security Agent or to the Receiver shall be applied; or
- (e) the status, propriety or validity of the acts of the Receiver or the Security Agent.

- 15.2 The receipt by the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

- 15.3 In clauses 15.1 and 15.2 **purchaser** includes any person acquiring, for monies or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

16 Subsequent Security

If the Security Agent receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets (other than the Permitted Security) it may open a new account or accounts for the Chargor, the Company or any Security Provider in its books. If it does not do so then, unless it gives express written notice to the contrary to the Chargor, as from the time of receipt of such notice by the Security Agent, all payments made by the Chargor to the Security Agent shall not be treated as having been applied in reduction of the Secured Obligations.

17 Limited Recourse

- (a) Notwithstanding any provision to the contrary in this Deed, the maximum amount which may be recovered from the Chargor in respect of the Secured Obligations at any time, will be limited to (and satisfied solely from) the aggregate amount of:
 - (i) the whole of the Secured Assets;
 - (ii) all proceeds generated under or on the enforcement of all Security created or evidenced under this Deed as security for any of the Secured Obligations against the Chargor or over any Secured Assets;
 - (iii) the proceeds of any disposal from time to time by an administrator of all or any part of the Secured Assets; and
 - (iv) (to the extent not forming part of those disposal proceeds) any amount determined in accordance with paragraph 71(3) of Schedule B1 to the Insolvency Act 1986 arising from any such disposal.
- (b) Any amount of the Secured Obligations not payable or paid when due by the Chargor in accordance with this clause 17 will nevertheless continue to be regarded as being:
 - (i) due and payable for the purposes of the Notes Documents; and
 - (ii) outstanding for the purposes of making demand under, or for the enforcement of, any Security, guarantee, indemnity or other assurance against financial loss, in each case created or evidenced under the Notes Documents (other than this Deed) as security for or in support of, any of the Secured Obligations.

18 Payments

18.1 Currency of account

Subject to Clause 18.2, sterling is the currency of account and payment for any sum due from the Chargor under this Deed.

18.2 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in this Deed to, and any obligations arising under this Deed in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Security Agent; and

- (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Security Agent (acting reasonably).

- (b) If a change in any currency of a country occurs, this Deed will, to the extent the Security Agent (acting reasonably) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the London interbank market and otherwise to reflect the change in currency.

18.3 No set-off by the Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

19 Miscellaneous

19.1 Certificates and determinations

Any certification or determination by the Security Agent of a rate or amount under any Notes Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

19.2 Partial invalidity

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

19.3 Remedies and waivers

- (a) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- (b) A waiver given or consent granted by the Security Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

19.4 Releases

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release and reassign to the Chargor its rights arising under this Deed and the Secured Assets from the Security created by and under this Deed and return all documents or deeds of title delivered to the Security Agent under this Deed.

20 Notices

20.1 Communications in writing

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

20.2 Addresses

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

- (a) in the case of the Chargor, that identified with its name below; and
- (b) in the case of the Security Agent, that identified with its name below,

or any substitute address, fax number or department or officer as that Party may notify to the other by not less than 5 Business Days' notice.

20.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 20.2, if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with clauses 20.3(a) and/or 20.3(b), after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

20.4 Notification of address and fax number

Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to clause 20.2 or changing its own address or fax number, the Security Agent shall notify the other Party.

20.5 Electronic communication

- (a) Any communication to be made between any two Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than 5 Business Days' notice.
- (b) Any electronic communication made between those two Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with clause 20.5(b), after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

20.6 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21 Assignment

- 21.1 The Chargor shall not assign, transfer, novate or otherwise dispose of, or declare any trust of, any of its rights and/or obligations under this Deed.
- 21.2 The Security Agent may assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it in accordance with the terms of the Notes Documents.

22 Counterparts

This Deed or any Notes Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed or any such Notes Document entered into under or in connection with this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

23 Governing law

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

24 Enforcement and jurisdiction

- 24.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination

of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).

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

24.3 This clause 24 is for the benefit of the Security Agent. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

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

EXECUTION PAGES

The Chargor

SIGNED as a **DEED** by
VF2 HOLDINGS LTD
acting by

.....
Director

Witness' Signature

Witness' Name

Witness' Address

Witness' Occupation

Address for Notices:

Address: A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS

Fax: N/A

FAO: The Directors

The Company

SIGNED as a **DEED** by
VF2 LTD
acting by

.....
Director

Witness' Signature

Witness' Name

Witness' Address

Witness' Occupation

Address for Notices:

Address: A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS

Fax: N/A

FAO: The Directors

The Security Agent

SIGNED as a **DEED** by
RM CAPITAL MARKETS LIMITED
acting by

James Nelson

James Nelson
.....
Director

Witness' Signature

Witness' Name *MIGUEL ANGEL PLAZA MOLINA*

Witness' Address *42 NEW BROAD STREET, EC2M 1JD*

Witness' Occupation

ANALYST

Address for Notices:

Address: 7 Melville Crescent, Edinburgh EH3 7JA

Fax: N/A

FAO: James Olanow

FREETHS

DATED

25 April

2018

- (1) VF2 HOLDINGS LTD
- (2) VF2 LTD
- (3) RM CAPITAL MARKETS LIMITED

SHAREHOLDER'S SECURITY AGREEMENT –
SHARE CHARGE

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This Deed is made on

25 April

2018

Between

- (1) **VF2 HOLDINGS LTD** (the "**Chargor**"), a company incorporated in England and Wales (with registered company number 11189860) whose registered office is at A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS;
- (2) **VF2 LTD** (the "**Company**"), a company incorporated in England and Wales (with registered company number 11192006) whose registered office is at A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS; and
- (3) **RM CAPITAL MARKETS LIMITED** (the "**Security Agent**"), a company incorporated in Scotland (with registered company number SC380707) whose registered office is at 7 Melville Crescent, Edinburgh EH3 7JA, as agent and security trustee for itself and each of the other Secured Parties (as defined below), which expressions shall include all successors, assignees and transferees from time to time.

It is agreed

1 Definitions and interpretation

1.1 Definitions

In this Deed:

Loan Note Instrument means the loan note instrument dated on or around the date of this Deed between (1) the Company as issuer and (2) the Security Agent as subscriber (as varied, amended, restated, novated, supplemented, extended, modified and/or replaced from time to time);

Party means a party to this Deed;

Permitted Security means the security created by this Deed and any other security permitted under the Loan Note Instrument;

Receiver means any receiver, manager or administrative receiver appointed by the Security Agent over any of the Secured Assets or in respect of the Chargor;

Related Rights means in respect of any Share:

- (a) all monies paid or payable in respect of that Share (whether as income, capital or otherwise);
- (b) all shares, investments or other assets derived from that Share; and
- (c) all rights derived from or incidental to that Share;

Relevant Jurisdiction means, in relation to the Chargor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it;

Secured Assets means all of the assets and undertaking of the Chargor from time to time the subject of any Security created by or under this Deed in favour of the Security Agent (whether for its own account or as agent or trustee for the Secured Parties);

Secured Obligations means all monies and liabilities now or after the date of this Deed due owing or incurred to the Security Agent (whether for its own account or as agent or trustee for the Secured Parties):

- (a) by the Company (or any of them) under the Notes Documents (or any of them); and/or
- (b) by the Chargor under this Deed;

in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Secured Party under any Notes Document except for any obligation which, if it were included here, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction;

Secured Parties means:

- (a) each Noteholder;
- (b) the Security Agent; and
- (c) a Receiver or any delegate;

Security Period means the period beginning on the date of this Deed and ending on the date on which the Secured Obligations have been irrevocably and unconditionally satisfied in full in the opinion of the Security Agent (acting reasonably) and the availability of Note issues under the Notes Documents (or any of them) has expired and/or been cancelled; and

Shares means all shares in the Company present and future held by the Chargor.

1.2 Interpretation

- (a) Unless otherwise defined in this Deed, a term defined in the Loan Note Instrument has the same meaning when used in this Deed or any notices, acknowledgements or other documents issued under or in connection with this Deed.
- (b) In this Deed, the term:
 - (i) **dispose** includes any sale, lease, licence, transfer or loan; and
 - (ii) **assets** includes present and future properties, revenues and rights of every description (including any right to receive such revenues).
- (c) Clause 1.2 of the Loan Note Instrument is incorporated in this Deed as if set out here in full but so that each reference in that clause to this Instrument shall be read as a reference to this Deed.

1.3 Third Party Rights

- (a) Unless expressly provided to the contrary in any Notes Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other Notes Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) Unless expressly provided to the contrary in any Notes Document, the consent of any person who is not a Party is not required to rescind or vary this Deed or any other Notes Document entered into under or in connection with it.

2 Covenant to pay

The Chargor as a primary obligor and not merely as surety covenants in favour of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) that it will pay, discharge and perform the Secured Obligations when they become due, subject to the provisions of clause 17.

3 Charging provisions

3.1 General

All Security created by the Chargor under clause 3.2 is:

- (a) 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 the Chargor in and to the relevant Secured Assets; and
- (d) granted in favour of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties).

3.2 Fixed charge

The Chargor charges by first fixed charge the Shares and all Related Rights.

3.3 Provisions relating to charge

- (a) The Chargor gives the Company notice that pursuant to this Deed it has charged by way of fixed charge in favour of the Security Agent, as first priority chargee, all of its rights, title and interest in the Shares and the Related Rights.
- (b) The Chargor further irrevocably and unconditionally:
 - (i) notifies the Company that it may not do anything with respect to the Shares or Related Rights which is prohibited by clauses 5 or 6 of this Deed;
 - (ii) confirms that, subject to clause 3.3(b)(i) above, the Company may continue to deal with the Chargor in relation to the Shares and the Related Rights (provided that the Chargor complies with her/his/its obligations pursuant to clause 9.3 until the Company receives written notice to the contrary from the Security Agent that

a Loan Note Event of Default has occurred and is continuing, and further authorise and instruct the Company that, after the Company has received such notice, the Chargor will cease to have any right to deal with the Company in relation to the Shares and the Related Rights except in accordance with clause 9.4 or the instructions of the Security Agent and therefore from that time the Company may deal directly with the Security Agent;

- (iii) authorises and instructs the Company to disclose information in relation to the Shares or the Related Rights to the Security Agent promptly on reasonable request;
 - (iv) authorises and instructs the Company following receipt of notice by the Company from the Security Agent that the Company is no longer entitled to deal with the Chargor in relation to the Shares and the Related Rights and that a Loan Note Event of Default has occurred and is continuing to pay or release all monies to which it is entitled in connection with the Shares and the Related Rights directly into such account as the Security Agent shall specify;
 - (v) authorises and instructs the Company that, whenever the Company serves any notice upon the Chargor in connection with the Shares or the Related Rights, the Company should supply a copy of such notice to the Security Agent at its address in the parties clause above (or as otherwise notified to the Company by it from time to time);
 - (vi) notifies to the Company that the provisions of this clause 3.3 may only be waived or revoked with the written consent of the Security Agent; and
- (c) The Company acknowledges receipt of the notice provided pursuant to clause 3.3(a) above on the date of this Deed and:
- (i) accepts the instructions and authorisations set out in the notice and undertakes to act in accordance with such instructions and authorisations; and
 - (ii) confirms that it has not received notice that the Chargor has assigned its rights in respect of the Shares or the Related Rights to a third party or created any other interest (whether by way of security or otherwise) in respect of the Shares or the Related Rights in favour of a third party.

4 General security provisions

4.1 Continuing security

The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Chargor or any other person of the whole or any part of the Secured Obligations.

4.2 Additional security

This Deed is in addition to and is not in any way prejudiced by any other guarantee or Security now or subsequently held by the Security Agent (whether for its own account or as agent or trustee for the Secured Parties).

4.3 Settlements conditional

- (a) If the Security Agent (acting reasonably) believes that any amount paid by any person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.
- (b) Any settlement, discharge or release between the Chargor and any Secured Party shall be conditional upon no Security or payment to or for the Security Agent (whether for its own account or as agent or trustee for the Secured Parties) by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

4.4 Waiver of defences

The liability of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause 4.4, would reduce, release or prejudice any of its liability under this Deed (without limitation and whether or not known to it or the Security Agent) including:

- (a) any time, waiver or consent granted to, or composition with, the Company, any Security Provider or other person;
- (b) the release of the Company, any Security Provider or any other person under the terms of any composition or arrangement with any creditor of the Company any Security Provider or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Company, any Security Provider or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company, any Security Provider or any other person;
- (e) any amendment (however fundamental) or replacement of a Notes Document or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Notes Document or any other document or Security; or
- (g) any insolvency/bankruptcy or similar proceedings.

4.5 Chargor intent

Without prejudice to the generality of clause 4.4, the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Notes Documents and/or any facility or amount made available under any of the Notes Documents for the purposes of or in connection with any of the following:

- (a) any Note issue;
- (b) acquisitions of any nature;

- (c) increasing working capital;
- (d) enabling investor distributions to be made;
- (e) carrying out restructurings;
- (f) refinancing existing facilities;
- (g) refinancing any other indebtedness;
- (h) making facilities available to the Company and/or any End-Borrower;
- (i) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (j) any fees, costs and/or expenses associated with any of the foregoing.

4.6 Immediate recourse

The Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before enforcing its rights under this Deed. This waiver applies irrespective of any law or any provision of a Notes Document to the contrary.

4.7 Appropriations

Until all amounts which may be or become payable by the Company or any Security Provider under or in connection with the Notes Documents have been irrevocably paid in full, the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) may:

- (a) refrain from applying or enforcing any other monies, Security or rights held or received by the Security Agent (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

4.8 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Company or any Security Provider under or in connection with the Notes Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Notes Documents:

- (a) to be indemnified by the Company or any Security Provider;
- (b) to claim any contribution from any guarantor of, or person providing Security for, the Company or any Security Provider's obligations under the Notes Documents; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent (or any trustee or agent on its behalf) under the Notes Documents or of any other guarantee or Security taken pursuant to, or in

connection with, the Notes Documents by the Security Agent (or any trustee or agent on its behalf).

5 Negative pledge

- 5.1 The Chargor shall not create nor permit to subsist any Security over any of the Secured Assets.
- 5.2 The Chargor shall not sell, transfer or otherwise dispose of any of the Secured Assets on terms whereby they are or may be re-acquired by the Chargor or in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.

6 Restrictions on disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, assign, lend, factor, pledge, charge, exchange or otherwise dispose of any of the Secured Assets nor permit any other person to do any such thing.

7 Further assurance

- 7.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver may reasonably specify (and in such form as the Security Agent or any Receiver may reasonably require) in favour of the Security Agent or its nominee(s):
- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to this Deed or by law; and/or
 - (b) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed.
- 7.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.
- 7.3 Any document required to be executed, or action to be taken, by the Chargor under this clause 7 will be prepared at the cost of the Chargor.

8 Representations

The Chargor makes the representations set out in this clause 8 to and for the benefit of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties).

8.1 Status

- (a) It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

8.2 Binding obligations

- (a) The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.
- (b) Without limiting the generality of clause (a), this Deed creates the Security which this Deed purports to create and the Security is valid and effective.

8.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security contemplated by this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument where such conflict has or is reasonably likely to have a Material Adverse Effect.

8.4 Power and authority

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

8.5 Validity and admissibility in evidence

All authorisations required or desirable:

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

have been obtained or effected and are in full force and effect except any authorisation referred to in clause 8.8 (No filing or stamp taxes) which authorisations will be promptly obtained or effected after the date of this Deed.

8.6 Acting as principal

It is acting in all matters relating to this Deed as principal for its own account and not as agent or trustee or in any other capacity whatsoever on behalf of any third party.

8.7 Governing law and enforcement

- (a) The choice of English law as the governing law of this Deed will be recognised and enforced in all relevant jurisdictions.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and enforced in all relevant jurisdictions.

8.8 No filing or stamp taxes

Save as noted in the Loan Note Instrument, it is not necessary under the laws of any relevant jurisdictions that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Deed or the transactions contemplated by this Deed.

8.9 Good title to assets

It has a good, valid and marketable title to the Secured Assets, in each case, free from Security.

8.10 Legal and beneficial ownership

- (a) The Chargor is the sole legal and beneficial owner of the assets over which it purports to grant Security.
- (b) Each Secured Asset is legally and beneficially owned by the Chargor free from any claims, third party rights or competing interests other than Security created under the Security Documents.
- (c) No breach of any law or regulation is outstanding which adversely affects or might adversely affect the value of any Secured Asset.

8.11 Shares

- (a) The Shares are fully paid.
- (b) No Secured Asset is subject to any option to purchase or similar rights.
- (c) As at the date of this Deed, none of the Shares is in an uncertificated form.
- (d) The constitutional documents of the Company do not restrict or inhibit any transfer of the Secured Assets on creation or enforcement of this Security.

8.12 Repetition

The representations and warranties in this clause 8 are deemed to be made by the Chargor by reference to the facts and circumstances then existing on:

- (a) the date of this Deed;
- (b) the date of each Issue Notice;
- (c) each Subscription Date; and
- (d) each Interest Payment Date.

9 Undertakings

9.1 Duration

The Chargor undertakes to and for the benefit of the Security Agent (for the benefit of and as trustee for itself and each of the other Secured Parties) in accordance with this clause 9. The undertakings in this clause 9 shall remain in force during the Security Period.

9.2 Authorisations

It shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Security Agent of,

any authorisation required under any law or regulation of a relevant jurisdiction to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence of this Deed.

9.3 Shares

- (a) On the later of:

- (i) the date of this Deed; and
- (ii) the date of acquisition by the Chargor of any Shares or Related Rights,

the Chargor shall:

- (A) deliver to the Security Agent all certificates of title and other documents of title or evidence of ownership in respect of its Shares and the Related Rights; and
 - (B) deliver to the Security Agent such transfer documents (with the transferee left blank) or any other documents as the Security Agent may require in respect of its Shares and Related Rights.
- (b) Until the Security Agent takes any steps under clause 9.4(a) or takes any enforcement action under clause 11.2 (Acts of enforcement), the Chargor shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of the Shares and Related Rights.
 - (c) The Chargor shall not exercise its voting and other rights in respect of the Shares and Related Rights in a manner which is likely to be prejudicial to the interests of the Secured Parties or in any way that would breach any provision of the Loan Note Instrument, any Notes Document or this Deed.
 - (d) The Chargor shall make all payments which may become due and payable in respect of any of the Shares and Related Rights. If the Chargor fails to make any such payments, the Security Agent may but shall not be obliged to make such payment on behalf of the Chargor. Any sums so paid by the Security Agent shall be repayable by the Chargor to the Security Agent on demand.
 - (e) The Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of the Shares and Related Rights and the Security Agent shall not be required to perform or fulfil any obligation of any Chargor in respect of the Shares or Related Rights.
 - (f) The Chargor shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of each Company in respect of or in connection with the Shares or Related Rights and will promptly provide to the Security Agent a copy of that notice.

- (g) It shall promptly provide to the Security Agent a copy of all other notices, reports, accounts and circulars received by it in respect of or in connection with any of the Secured Assets.
- (h) The Chargor shall ensure that none of the Shares are converted into uncertificated form without the prior written consent of the Security Agent.
- (i) Immediately on conversion of any Shares or Related Rights from a certificated to an uncertificated form, and on the acquisition of any Shares or Related Rights in an uncertificated form, the Chargor shall give such instructions or directions and take such other steps and enter into such documentation as the Security Agent may require in order to protect or preserve the Security intended to be created by this Deed.

9.4 Following a Loan Note Event of Default

- (a) If a Loan Note Event of Default is continuing, the Chargor shall within 3 Business Days of a request by the Security Agent:
 - (i) deliver to the Security Agent such stock transfer forms or other transfer documents as the Security Agent may require to enable the Security Agent or its nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Shares and/or Related Rights referred to in such request;
 - (ii) provide to the Security Agent certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Security Agent may reasonably require;
 - (iii) procure that, promptly following their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Shares and/or Related Rights, are delivered to the Security Agent in each case showing the registered holder as the Security Agent or its nominee or nominees (as applicable); and/or
 - (iv) exercise all voting rights in respect of the Shares and Related Rights only in accordance with the instructions of the Security Agent.
- (b) If the Chargor receives any dividends, distributions or other monies in respect of the Shares and Related Rights at a time when the Security Agent has made a request under clause 9.4(a) or taken any enforcement steps under clause 9.4 or clause 11.2 (Acts of enforcement), the Chargor shall immediately pay such sums received directly to the Security Agent for application in accordance with clause 14 (Application of monies) and shall hold all such sums on trust for the Security Agent pending payment of them to such account as the Security Agent shall direct.
- (c)
 - (i) At any time while a Loan Note Event of Default is continuing; or
 - (ii) if the Security Agent reasonably considers that any Security created by or under this Deed is in jeopardy,

the Security Agent may complete the transfer documents delivered to it under clause 9.3 or take any other necessary steps to vest the Shares and Related Right in itself or such other person or nominee as it shall select.

(d) At any time while a Loan Note Event of Default is continuing or at all times after any steps are taken to enforce the Security created by or under this Deed, the Security Agent and its nominee or nominees may:

- (i) exercise all voting and other rights and power (including without limitation) all the powers given to trustees by the Trustee Act 2000 in respect of the Shares and Related Rights of the Chargor and all powers to arrange meetings, pass resolutions and appoint or remove directors and the Chargor shall not exercise any such rights;
- (ii) sell all or any of the Shares or Related Rights of the Chargor in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine;
- (iii) collect, recover or compromise and give a good discharge for any monies payable to the Chargor in respect of the Shares or Related Rights; and
- (iv) act generally in relation to the Shares and Related Rights of the Chargor in such manner as the Security Agent shall determine.

9.5 Retention of documents

The Security Agent may retain any document delivered to it pursuant to clause 9.3 or otherwise until the Security created by this Deed is released and if for any reason it ceases to hold any such document before such time, it may by notice to the Chargor require that the relevant document be redelivered to it and the Chargor shall promptly comply (or procure compliance) with such notice.

9.6 General

The Chargor shall not do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Secured Parties of the Security created by or under this Deed.

10 Security power of attorney

The Chargor, by way of security, irrevocably and unconditionally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed but has failed to so take within 5 Business Days following a request by the Security Agent. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 10.

11 Enforcement of security

11.1 When security is enforceable

On the occurrence of any Loan Note Event of Default which is continuing, the Security created by and under this Deed shall be immediately enforceable.

11.2 Acts of enforcement

The Security Agent may, in its absolute discretion, at any time when the Security created by or under this Deed is enforceable:

- (a) enforce all or any part of the Security created by or under this Deed in any manner it sees fit;
- (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed and rights or powers conferred on a Receiver by this Deed whether or not it has taken possession of, or appointed a Receiver to any of, the Secured Assets;
- (c) appoint one or more persons to be a Receiver to all or any part of the Secured Assets;
- (d) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed);
- (e) sell all or any of the Secured Assets in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine; and/or
- (f) apply all dividends and other monies received in respect of the Secured Assets as though they were proceeds of sale.

11.3 Right of Appropriation - Syndicated

To the extent that the Security created by this Deed constitutes a "security financial collateral arrangement" and the Secured Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (**Regulations**), the Security Agent shall have the right on giving prior notice to the Chargor, at any time after the Security created by this Deed becomes enforceable, to appropriate all or any part of those Secured Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Secured Assets shall be determined by the Security Agent by reference to any available publicly available market price in the absence of which by such other means as the Security Agent (acting reasonably) may select including, without limitation, an independent valuation. For the purpose of Regulation 18(1) of the Regulations, the Chargor agrees that any such determination by the Security Agent will constitute a valuation "in a commercially reasonable manner".

11.4 Statutory Powers - General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- (c) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and receivers.

11.5 Contingencies

If the Security Agent enforces the Security constituted by or under this Deed at a time when no amounts are due to the Noteholders and/or the Security Agent under the Notes Documents but at a time when amounts may or will become so due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

11.6 Mortgagee in possession - no liability

Neither the Security Agent nor any Receiver shall be liable to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable.

11.7 Redemption of prior mortgages

At any time after the Security created by or under this Deed has become enforceable, the Security Agent may, at the sole cost of the Chargor (payable to the Security Agent on demand):

- (a) redeem any prior form of Security over any Secured Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

12 Receiver

12.1 Appointment of Receiver

- (a)
 - (i) At any time after any Security created by or under this Deed is enforceable, the Security Agent may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 11.2(c) (Acts of enforcement).
 - (ii) At any time if so requested in writing by the Chargor, without further notice, the Security Agent may appoint one or more persons to be a Receiver of all or any part of the Secured Assets as if the Security Agent had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.
- (b) Any Receiver appointed under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Security Agent be in any way responsible for any misconduct, negligence or default of the Receiver.
- (c) Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 of the Insolvency Act 1986 (i) obtaining a moratorium, or (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 of the Insolvency Act 1986 shall not be grounds for appointment of a Receiver.

12.2 Removal

The Security Agent may by written notice remove from time to time any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

12.3 Powers of Receiver

- (a) General

- (i) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 12.3.
- (ii) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (iii) A Receiver may, (in the name of the Chargor):
 - (A) do all other acts and things which he may consider expedient for realising any Secured Asset; and
 - (B) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

(b) Borrow monies

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any monies so raised or borrowed.

(c) Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor relating in any way to any Secured Asset.

(d) Delegation

A Receiver may delegate his powers in accordance with clause 13 (Delegation).

(e) Employees

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Chargor or for itself as Receiver, may:

- (i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (ii) discharge any such persons appointed by the Chargor.

(f) Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Chargor in relation to any Secured Asset as he considers expedient.

(g) Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

(h) Sale of assets

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit.

(i) Deal with Secured Assets

A Receiver may, without restriction vary the terms of or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration, and the Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(j) Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

(k) Incidental Matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Chargor for all the purposes set out in this clause 12.

12.4. Remuneration

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it.

13 Delegation

- 13.1 The Security Agent and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Agent and the Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Agent and Receiver (as appropriate) may think fit.

- 13.2 The Lender and any Receiver will not be liable or responsible to the Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate (other than any losses, liabilities or expenses arising from any negligence or wilful default of that delegate).

14 Application of monies

- 14.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

- 14.2 All monies received by the Security Agent or any Receiver under this Deed shall be applied in the following order:

- (a) in discharging any sums owing to the Security Agent, any Receiver or any delegate;
- (b) in payment of all costs and expenses incurred by the Security Agent in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of the Loan Note Instrument and any other Notes Document;
- (c) in or to the Security Agent to be applied in or toward payment of the Secured Obligations in accordance with the terms of the Loan Note Instrument; and
- (d) the balance (if any) will be applied as required by law.

- 14.3 The Security Agent and any Receiver may place any money received, recovered or realised pursuant to this Deed in or at an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

15 Protection of third parties

- 15.1 No person (including a purchaser) dealing with the Security Agent or its agents has an obligation to enquire of the Security Agent, any Receiver or others:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power purported to be exercised has become exercisable;
- (c) whether any Secured Obligations or other monies remain outstanding;
- (d) how any monies paid to the Security Agent or to the Receiver shall be applied; or
- (e) the status, propriety or validity of the acts of the Receiver or the Security Agent.

- 15.2 The receipt by the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

- 15.3 In clauses 15.1 and 15.2 **purchaser** includes any person acquiring, for monies or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

16 Subsequent Security

If the Security Agent receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets (other than the Permitted Security) it may open a new account or accounts for the Chargor, the Company or any Security Provider in its books. If it does not do so then, unless it gives express written notice to the contrary to the Chargor, as from the time of receipt of such notice by the Security Agent, all payments made by the Chargor to the Security Agent shall not be treated as having been applied in reduction of the Secured Obligations.

17 Limited Recourse

- (a) Notwithstanding any provision to the contrary in this Deed, the maximum amount which may be recovered from the Chargor in respect of the Secured Obligations at any time, will be limited to (and satisfied solely from) the aggregate amount of:
 - (i) the whole of the Secured Assets;
 - (ii) all proceeds generated under or on the enforcement of all Security created or evidenced under this Deed as security for any of the Secured Obligations against the Chargor or over any Secured Assets;
 - (iii) the proceeds of any disposal from time to time by an administrator of all or any part of the Secured Assets; and
 - (iv) (to the extent not forming part of those disposal proceeds) any amount determined in accordance with paragraph 71(3) of Schedule B1 to the Insolvency Act 1986 arising from any such disposal.
- (b) Any amount of the Secured Obligations not payable or paid when due by the Chargor in accordance with this clause 17 will nevertheless continue to be regarded as being:
 - (i) due and payable for the purposes of the Notes Documents; and
 - (ii) outstanding for the purposes of making demand under, or for the enforcement of, any Security, guarantee, indemnity or other assurance against financial loss, in each case created or evidenced under the Notes Documents (other than this Deed) as security for or in support of, any of the Secured Obligations.

18 Payments

18.1 Currency of account

Subject to Clause 18.2, sterling is the currency of account and payment for any sum due from the Chargor under this Deed.

18.2 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in this Deed to, and any obligations arising under this Deed in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Security Agent; and

- (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Security Agent (acting reasonably).

- (b) If a change in any currency of a country occurs, this Deed will, to the extent the Security Agent (acting reasonably) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the London interbank market and otherwise to reflect the change in currency.

18.3 No set-off by the Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

19 Miscellaneous

19.1 Certificates and determinations

Any certification or determination by the Security Agent of a rate or amount under any Notes Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

19.2 Partial invalidity

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

19.3 Remedies and waivers

- (a) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- (b) A waiver given or consent granted by the Security Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

19.4 Releases

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release and reassign to the Chargor its rights arising under this Deed and the Secured Assets from the Security created by and under this Deed and return all documents or deeds of title delivered to the Security Agent under this Deed.

20 Notices

20.1 Communications in writing

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

20.2 Addresses

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

- (a) in the case of the Chargor, that identified with its name below; and
- (b) in the case of the Security Agent, that identified with its name below,

or any substitute address, fax number or department or officer as that Party may notify to the other by not less than 5 Business Days' notice.

20.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 20.2, if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

- (c) Any communication or document which becomes effective, in accordance with clauses 20.3(a) and/or 20.3(b), after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

20.4 Notification of address and fax number

Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to clause 20.2 or changing its own address or fax number, the Security Agent shall notify the other Party.

20.5 Electronic communication

- (a) Any communication to be made between any two Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than 5 Business Days' notice.
- (b) Any electronic communication made between those two Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with clause 20.5(b), after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

20.6 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21 Assignment

- 21.1 The Chargor shall not assign, transfer, novate or otherwise dispose of, or declare any trust of, any of its rights and/or obligations under this Deed.
- 21.2 The Security Agent may assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it in accordance with the terms of the Notes Documents.

22 Counterparts

This Deed or any Notes Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed or any such Notes Document entered into under or in connection with this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

23 Governing law

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

24 Enforcement and jurisdiction

- 24.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination

of this Deed or any non-contractual obligation arising out of or in connection with this Deed)
(a **Dispute**).

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

24.3 This clause 24 is for the benefit of the Security Agent. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

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

EXECUTION PAGES

The Chargor

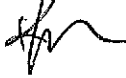
SIGNED as a DEED by
VF2 HOLDINGS LTD
acting by

IAN T. WILSON

gwi

Director

Witness' Signature



Witness' Name

Kenneth Purchase

Witness' Address

Belford, Burns Way,
HARTLEY, Kent DA3 8AD

Witness' Occupation

FINANCE

Address for Notices:

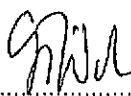
Address: A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS

Fax: N/A

FAO: The Directors

The Company

SIGNED as a DEED by
VF2 LTD
acting by


.....
Director

Witness' Signature



Witness' Name

KENNER PURCHASE

Witness' Address

BELFORD, GUARD WAY,
HARTLEY, KENT DA3 8AD

Witness' Occupation

FINANCE

Address for Notices:

Address: A Melcombe Regis Court, 59 Weymouth Street, Marylebone, London W1G 8NS

Fax: N/A

FAO: The Directors

The Security Agent

SIGNED as a DEED by
RM CAPITAL MARKETS LIMITED
acting by

.....
Director

Witness' Signature

Witness' Name

Witness' Address

Witness' Occupation

Address for Notices:

Address: 7 Melville Crescent, Edinburgh EH3 7JA

Fax: N/A

FAO: James Olanow