



Registration of a Charge

Company Name: **ETA PRODUCTIONS LTD**

Company Number: **11704650**



XAGFG762

Received for filing in Electronic Format on the: **02/11/2021**

Details of Charge

Date of creation: **02/11/2021**

Charge code: **1170 4650 0002**

Persons entitled: **PIET COELEWIJ AS SECURITY TRUSTEE**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **FOX WILLIAMS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11704650

Charge code: 1170 4650 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd November 2021 and created by ETA PRODUCTIONS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd November 2021 .

Given at Companies House, Cardiff on 3rd November 2021

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**

DATED

2 November

2021

ETA PRODUCTIONS LTD (1)

as the Chargor

- and -

PIET COELEWIJ (2)

as the Security Trustee

DEBENTURE

Solicitors

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THIS DEED is made on 2 November 2021

BETWEEN:

- (1) **ETA PRODUCTIONS LTD** incorporated and registered in England and Wales with company number 11704650 whose registered office is at 303 The Pill Box 115 Coventry Road, London, England, E2 6GH (the "**Chargor**"); and
- (2) **PIET COELEWIJ**, as security trustee for each of the Secured Parties on the terms and conditions set out in the Loan Note Instrument (the "**Security Trustee**").

WHEREAS

- (A) The Noteholders have agreed, pursuant to the Loan Note Instrument, to provide the Chargor with loan facilities on a secured basis.
- (B) Under this Deed, the Chargor provides security to the Security Trustee for the loan facilities made available under the Loan Note Instrument.
- (C) The Security Trustee and the Secured Parties have agreed that the Security Trustee will hold the benefit of the Security created under this Deed on trust for the Secured Parties.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Loan Note Instrument shall, unless otherwise defined in this Deed, have the same meaning in this Deed. In addition, the following definitions apply in this Deed:

"Administrator"	means an administrator appointed to manage the affairs, business and property of the Chargor pursuant to clause 8.8;
"Book Debts"	means all present and future book and other debts, and monetary claims due or owing to the Chargor, and the benefit of all Security, guarantees and other rights of any nature enjoyed or held by the Chargor in relation to any of them;
"Business Day"	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
"Deed of Priority"	means the deed of priority dated on or about the date of this Deed and entered into between, among others, the Company and the Security Trustee;
"Delegate"	means any person appointed by the Security Trustee or any Receiver pursuant to clause 14 and any person appointed as attorney of the Security Trustee, Receiver or Delegate;
"Designated Account"	means any account of the Chargor nominated by the Security Trustee as a designated account for the purposes of this Deed;
"Event of Default"	has the meaning given to that expression in the Loan Note Instrument;

“Financial Collateral”	has the meaning given to that expression in the Financial Collateral Regulations;
“Financial Collateral Regulations”	means the Financial Collateral Arrangements (No 2) Regulations 2003 (<i>SI 2003/3226</i>);
“Insurance Policy”	means each contract and policy of insurance effected or maintained by the Chargor from time to time in respect of its assets or business;
“Intellectual Property”	means the Chargor's present and future patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world, to the extent necessary or required in the operation of the Chargor's business;
“Investments”	means any stocks, shares, debentures, securities and other investments, assets, rights or interests falling within Part II of Schedule 2 to the Financial Services and Markets Act 2000, including all warrants, options and other rights to subscribe or acquire any such investments, whether held directly by, or to the order of, the Chargor or by any trustees, nominees, custodians, fiduciary or clearing system on its behalf and all related rights (including all rights against any such trustee, nominee, custodian, fiduciary or the operator of, or any participant in, any clearing system);
“Loan Note Instrument”	means the deed of the Chargor executed by the Chargor on or around the date of this Deed constituting the Loan Notes;
“Loan Notes”	means the 20% discounted secured loan notes 2021 of the Chargor constituted by the Loan Note Instrument;
“LPA 1925”	means the Law of Property Act 1925;
“Noteholders”	has the meaning given to that expression in the Loan Note Instrument;
“Real Estate”	means any freehold, leasehold or commonhold property the subject of the Security constituted by this Deed and references to “Real Estate” shall include references to the whole or any part of it;

“Rights”	means any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise;
“Secured Assets”	means all the assets, property and undertaking of the Chargor which are, or are expressed to be, subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them);
“Secured Obligations”	all present and future obligations and liabilities of the Chargor to any Secured Party, whether actual or contingent and whether owed solely or jointly or severally, as principal or surety or in any other capacity, under or in connection with this Deed or the Loan Note Instrument, and including in respect of any further issuances of Loan Notes made under the Loan Note Instrument;
“Secured Parties”	means the Noteholders, the Security Trustee, and any Delegate, Receiver, agent, attorney or co-trustee appointed by the Security Trustee;
“Security”	means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security, hypothecation, trust arrangement for the purposes of providing security, or other security interest having the effect of securing any obligation of any person (including the deposit of monies or property with a person with the intention of affording that person a right of lien, set-off, combination or counter-claim), or any other agreement or arrangement having a similar effect (including any “flawed asset” or “hold back” arrangement);
“Security Financial Collateral Arrangement”	has the meaning given to that expression in the Financial Collateral Regulations;
“Security Period”	means the period starting on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all the Secured Obligations have been unconditionally, irrevocably and indefeasibly paid and discharged in full in cash, and no further Secured Obligations are capable of being outstanding;
“VAT”	means value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this Deed:

- 1.2.1 Clause and paragraph headings shall not affect the interpretation of this Deed;
- 1.2.2 a reference to a **“person”** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to "**writing**" or "**written**" includes email;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to "**this Deed**" (or any provision of it), "**Loan Note Instrument**" or to any other agreement or document referred to in this Deed or Loan Note Instrument is a reference to this Deed or the Loan Note Instrument, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed or the Loan Note Instrument) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause is to a clause of this Deed;
- 1.2.12 any words following the terms "**including**", "**include**", "**in particular**", "**for example**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an "**amendment**" includes a novation, re-enactment, supplement, extension, restatement, replacement or variation (and "**amend**" and "**amended**" shall be construed accordingly);
- 1.2.14 a reference to "**assets**" includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an "**authorisation**" includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.16 a reference to "**continuing**" in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- 1.2.17 a reference to "**determines**" or "**determined**" means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.18 a reference to a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 **Clawback**

If the Security Trustee considers that an amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or otherwise set aside on the liquidation or

administration of the Chargor otherwise, then that amount shall not be considered to have been unconditionally, irrevocably and indefeasibly paid in full for the purposes of this Deed.

1.4 Nature of Security over real property

A reference in this Deed to a charge or mortgage of or over any Real Estate includes:

- 1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Real Estate at any time;
- 1.4.2 the proceeds of the sale of any part of that Real Estate and any other monies paid or payable in respect of or in connection with that Real Estate;
- 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of that Real Estate, and any monies paid or payable in respect of those covenants; and
- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Real Estate.

1.5 Nature of Security over Investments

A reference in this Deed to any share, stock, debenture or other security or investment includes:

- 1.5.1 any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment; and
- 1.5.2 any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

1.6 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Loan Note Instrument and of any side letters between any parties in relation to the Loan Note Instrument are incorporated into this Deed.

1.7 Perpetuity period

If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.8 Security Trust

- 1.8.1 The Security Trustee declares itself trustee of the Security and other rights (including but not limited to the benefit of the covenants contained in this Deed), titles and interests constituted by this Deed and of all monies, property and assets paid to the Security Trustee or to its order or held by the Security Trustee or its nominee or received or recovered by the Security Trustee or its nominee pursuant to or in connection with this Deed with effect from the date of this Deed to hold them on trust for itself and each of the other Secured Parties absolutely pro rata (save as may otherwise be agreed between the Security Trustee and the Secured Parties from time to time) to the monies, obligations and liabilities owed by the Chargor to each of the Secured Parties and from time to time secured by this Deed.
- 1.8.2 All monies received by the Security Trustee or any Receiver appointed by it under or pursuant to this Deed shall be held by it or such Receiver upon trust for itself and the Secured Parties according to their respective interests to apply them in accordance with the provisions of the Loan Note Instrument.

1.8.3 Section 1 of the Trustee Act 2000 shall not apply to any function of the Security Trustee. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000.

1.8.4 Sections 22 and 23 of the Trustee Act 2000 shall not apply to this Deed.

1.8.5 The trusts in this Deed shall remain in force until the earlier to occur of:

1.8.5.1 the expiration of a period of 125 years from the date of this Deed; or

1.8.5.2 confirmation in writing from the Security Trustee that there are no longer any outstanding monies, obligations and liabilities secured by this Deed.

2. COVENANT TO PAY

The Chargor shall, on demand, pay to the Security Trustee and discharge the Secured Obligations when they become due.

3. GRANT OF SECURITY

3.1 Common provisions as to all Security

All Security created by or pursuant to this Deed is:

3.1.1 created in favour of the Security Trustee for itself and on behalf of each other Secured Party;

3.1.2 created over the present and future assets of the Chargor;

3.1.3 created with full title guarantee; and

3.1.4 continuing security for the payment, discharge and performance of the Secured Obligations and shall extend to the ultimate balance of all amounts payable under the Loan Note Instrument and shall remain in full force and effect until after the Security Period has expired. No part of the Security constituted by this Deed shall be considered to be satisfied or discharged by any intermediate payment, discharge of satisfaction of the whole or any part of the Secured Obligations.

3.2 Legal mortgage

The Chargor charges, by way of a first legal mortgage, all estates or interests in any freehold, leasehold or commonhold property now owned by it.

3.3 Fixed charges

The Chargor charges by way of a first fixed charge:

3.3.1 all present and future estates or interests of the Chargor in, or over, any freehold, leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.2);

3.3.2 the benefit of all other contracts, guarantees, appointments and warranties relating to each Real Estate and other documents to which the Chargor is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Real Estate or otherwise relating to any Real Estate (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any

of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);

- 3.3.3 all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;
- 3.3.4 all its present and future goodwill;
- 3.3.5 all its uncalled capital;
- 3.3.6 all of the Intellectual Property;
- 3.3.7 all the Book Debts;
- 3.3.8 all the Investments;
- 3.3.9 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account and any bank account opened or operated by the Chargor from time to time), together with all other rights and benefits accruing to or arising in connection with each of the aforementioned accounts (including, but not limited to, entitlements to interest);
- 3.3.10 all its rights in respect of each Insurance Policy (if any), including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy (if any); and
- 3.3.11 all its rights in respect of all agreements, instruments and rights relating to the Secured Assets.

3.4 Floating charge

The Chargor charges by way of first floating charge, all its undertaking, property, assets and rights not otherwise effectively mortgaged, charged or assigned under clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- 3.6.1 the Chargor:
 - 3.6.1.1 creates, or attempts to create, without the prior written consent of the Security Trustee, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this Deed or the Loan Note Instrument); or
 - 3.6.1.2 disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised and except as expressly permitted by the terms of this Deed or the Loan Note Instrument);
- 3.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

- 3.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor.

3.7 Crystallisation of floating charge by notice

The Security Trustee may, in its sole discretion, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Security Trustee in that notice if:

- 3.7.1 an Event of Default occurs and is continuing; or
- 3.7.2 the Security Trustee reasonably considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by the Chargor after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Security Trustee confirms otherwise to the Chargor in writing) be charged to the Security Trustee by way of first fixed charge.

4. LIABILITY OF THE CHARGOR AND SECURITY TRUSTEE'S PROTECTIONS

4.1 Liability not discharged

The Chargor's liability under this Deed in respect of any of the Secured Obligations shall not be discharged, prejudiced or otherwise adversely affected by:

- 4.1.1 the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee or indemnity or any document, including any arrangement or compromise entered into by any Secured Party with the Chargor or any other person;
- 4.1.2 any variation, amendment, waiver, release, novation, supplement, extension, restatement or replacement of, or in connection with, the Loan Note Instrument or any other document or any security, guarantee or indemnity, in each case, however fundamental and of whatever nature (and including any amendment that may increase the liability of the Chargor or the size of the investment provided by the Secured Parties);
- 4.1.3 any security, guarantee, indemnity, remedy or other right held by, or available to, the Secured Parties that is, or becomes, wholly or partially illegal, void or unenforceable on any ground; or
- 4.1.4 any other act or omission that, but for this clause, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

4.2 Immediate recourse

The Chargor waives any right it may have to require the Security Trustee:

- 4.2.1 to take any action or obtain judgment in any court against any other person;
- 4.2.2 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any other person; or
- 4.2.3 to make demand, enforce or seek to enforce any claim, right or remedy against any other person,

before taking steps to enforce any of its rights or remedies under this Deed.

4.3 Amendments to the Loan Note Instrument

Without prejudice to the generality of any other provision of this Deed, the Chargor expressly confirms that it intends that this Deed and the Security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Loan Note Instrument and/or any present or future facility or amount made available under the Loan Note Instrument, including for the purposes of, or in connection with, any of the following: business acquisitions of any nature; increasing the commitments under the Loan Note Instrument; increasing the indebtedness under the Loan Note Instrument; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any costs and expenses associated with any of the foregoing.

5. REPRESENTATIONS AND WARRANTIES

5.1 Times for making representations and warranties

The Chargor makes the representations and warranties set out in clauses 5.2 through 5.10 to the Security Trustee on the date of this Deed and such representations and warranties are deemed to be repeated each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

5.2 Valid security

5.2.1 This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.2.2 Subject to all applicable registration requirements, this Deed creates perfected Security over the assets expressed to be subject to Security in it in favour of the Chargor, having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.

5.3 No Security

The Secured Assets are free from any Rights other than (i) the Rights created by this Deed, and (ii) the Rights created in favour of Piet Coelewij as security trustee by the Company pursuant to the debenture dated 26 August 2021.

5.4 Ownership of Secured Assets

The Chargor is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.

5.5 No adverse claims

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

5.6 No adverse covenants

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

5.7 No breach of laws

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

5.8 No interference in enjoyment

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

5.9 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Real Estate.

5.10 Avoidance of Security

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

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior written consent of the Security Trustee:

6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than (i) any Security created by this Deed, or (ii) to the extent permitted in the Loan Note Instrument;

6.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge or to the extent permitted in the Loan Note Instrument, provided that, without prejudice to any other provision of this Deed, such permission shall be expressly revoked upon the Security constituted by this Deed becoming enforceable); or

6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party,

other than Security constituted pursuant to the debenture dated 26 August 2021 in favour of Piet Coelewijn as security trustee.

6.2 Preservation of Secured Assets

The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security held by the Security Trustee, or materially diminish the value of any of the Secured Assets (other than in the ordinary course of business) or the effectiveness of the Security created by this Deed.

6.3 Compliance with laws and regulations

6.3.1 The Chargor shall not use or permit the Secured Assets to be used in any way contrary to law.

6.3.2 The Chargor shall:

6.3.2.1 comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;

6.3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and

6.3.2.3 promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

6.4 Enforcement of rights

The Chargor shall use its reasonable endeavours to:

6.4.1 procure the prompt observance and performance by the relevant counterparty to any material agreement or arrangement with the Chargor and forming part of the Secured Assets of the covenants and other obligations imposed on such counterparty; and

6.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Security Trustee may require from time to time.

6.5 Notice of misrepresentation and breaches

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

6.5.1 any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and

6.5.2 any breach of any covenant set out in this Deed.

6.6 Title documents

The Chargor shall, as so required by the Security Trustee, deposit with the Security Trustee and the Security Trustee shall, for the duration of this Deed be entitled to hold:

6.6.1 all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Chargor (and if these are not within the possession or control of the Chargor, the Chargor undertakes to obtain possession of all these deeds and documents of title);

6.6.2 all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Chargor is entitled to possess; and

6.6.3 all deeds and documents of title (if any) relating to the Book Debts as the Security Trustee may specify from time to time.

6.7 Information

The Chargor shall:

6.7.1 permit any persons designated by the Security Trustee and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and

6.7.2 promptly notify the Security Trustee in writing of any material action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Chargor's proposals for settling, liquidating, compounding or contesting any

such action, claim, notice or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at its own expense.

6.8 Payment of outgoings

The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, within 3 Business Days of demand, produce evidence of payment to the Security Trustee.

7. INTELLECTUAL PROPERTY COVENANTS

7.1 Preservation of rights

The Chargor shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the material Intellectual Property of the Chargor including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

7.2 Registration of Intellectual Property

The Chargor shall use all reasonable efforts to register applications for the registration of any material Intellectual Property, and shall keep the Security Trustee informed of all matters relating to each such registration.

7.3 Maintenance of Intellectual Property

The Chargor shall not permit any material Intellectual Property to be abandoned, cancelled or to lapse.

8. POWERS OF THE SECURITY TRUSTEE

8.1 Power to remedy

8.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this Deed.

8.1.2 The Chargor irrevocably authorises the Security Trustee and its agents to do all things that are necessary for that purpose.

8.1.3 Any monies expended by the Security Trustee in remedying a breach by the Chargor of its obligations contained in this Deed shall be reimbursed by the Chargor to the Security Trustee on a full indemnity basis and shall carry interest in accordance with clause 16.

8.2 Exercise of rights

8.2.1 The rights of the Security Trustee under clause 8.1 are without prejudice to any other rights of the Security Trustee whether under this Deed or elsewhere.

8.2.2 The exercise of any rights of the Security Trustee whether under this Deed or elsewhere shall not make the Security Trustee liable to account as a mortgagee in possession.

8.3 Power to dispose of chattels

8.3.1 At any time after the Security constituted by this Deed has become enforceable, the Security Trustee or any Receiver may, as agent for the Chargor, dispose of any chattels or produce found on any Real Estate.

- 8.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 8.3.1, the Chargor shall indemnify the Security Trustee and any Receiver against any liability arising from any disposal made under clause 8.3.1.

8.4 Security Trustee has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the Security constituted by this Deed has become enforceable, be exercised by the Security Trustee in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

8.5 No duties

The Security Trustee shall not, in respect of any of the Secured Assets, have any duty or incur any liability for:

- 8.5.1 ascertaining or taking action in respect of any calls, instalments, conversions, exchanges, maturities, tenders or other matters relating to any Secured Assets or the nature or sufficiency of any payment whether or not the Security Trustee has or is deemed to have knowledge of such matters; or
- 8.5.2 taking any necessary steps to preserve rights against prior parties or any other rights relating to any of the Secured Assets.

8.6 Conversion of currency

- 8.6.1 For the purpose of, or pending the discharge of, any of the Secured Obligations, the Security Trustee may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 8.5) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.
- 8.6.2 Any such conversion shall be effected at Barclays PLC's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- 8.6.3 Each reference in this clause 8.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

8.7 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Obligations, or of any other Security for them without prejudice either to this Deed or to the liability of the Chargor for the Secured Obligations.

8.8 Appointment of an Administrator

- 8.8.1 The Security Trustee may, without notice to the Chargor, appoint any one or more persons to be an Administrator of the Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the Security constituted by this Deed becomes enforceable.
- 8.8.2 Any appointment under this clause shall:
- 8.8.2.1 be in writing signed by a duly authorised signatory of the Security Trustee; and
- 8.8.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

- 8.8.3 The Security Trustee may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

9. FURTHER ADVANCES

This Deed secures advances and financial accommodation already made under the Loan Note Instrument and further advances and financial accommodation to be made under the Loan Note Instrument.

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Security becomes enforceable on Event of Default

The Security constituted by this Deed shall become immediately enforceable after the occurrence of an Event of Default which is continuing.

10.2 Discretion

After the Security constituted by this Deed has become enforceable, the Security Trustee may, in its absolute discretion, enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

11. ENFORCEMENT OF SECURITY

11.1 Enforcement powers

11.1.1 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.

11.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the Security constituted by this Deed has become enforceable under clause 10.1.

11.1.3 Section 103 of the LPA 1925 does not apply to the Security constituted by this Deed.

11.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Trustee and any Receiver, at any time after the Security constituted by this Deed has become enforceable, whether in its own name or in that of the Chargor, to:

11.2.1 grant a lease or agreement for lease;

11.2.2 accept surrenders of leases; or

11.2.3 grant any option in respect of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Security Trustee or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

11.3 Application of any Deposit

After the Security constituted by this Deed has become enforceable, the Security Trustee shall be entitled to apply, transfer or set off all or any part of any Deposit to discharge in whole or in part, the Secured Obligations in accordance with the provisions of this Deed.

11.4 Access on enforcement

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

11.4.2 At all times, the Chargor must use its best endeavours to allow the Security Trustee or its Receiver access to any premises for the purpose of clause 11.4.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

11.5 Redemption of prior Security

11.5.1 At any time after the Security constituted by this Deed has become enforceable, the Security Trustee may, subject to the terms of the Deed of Priority:

11.5.1.1 redeem any prior Security over any Secured Asset;

11.5.1.2 procure the transfer of that Security to itself; and

11.5.1.3 settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargor).

11.5.2 The Chargor shall pay to the Security Trustee within 3 Business Days of demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Obligations.

11.6 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Trustee, any Receiver or any Delegate shall be concerned to enquire:

11.6.1 whether any of the Secured Obligations have become due or payable, or remain unpaid or undischarged;

11.6.2 whether any power the Security Trustee, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or

11.6.3 how any money paid to the Security Trustee, any Receiver or any Delegate is to be applied.

11.7 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

11.8 No liability as mortgagee in possession

Neither the Security Trustee nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in

possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable unless caused by the gross negligence or wilful default of the Security Trustee, any Receiver or Delegate.

11.9 Conclusive discharge to purchasers

The receipt of the Security Trustee, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

11.10 Right of appropriation

11.10.1 To the extent that:

11.10.1.1 the Secured Assets constitute Financial Collateral; and

11.10.1.2 this Deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement,

the Security Trustee shall have the right, at any time after the Security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Obligations in any order that the Security Trustee may, in its absolute discretion, determine.

11.10.2 The value of any Secured Assets appropriated in accordance with this clause shall be:

11.10.2.1 in the case of cash, the amount standing to the credit of each of the Chargor's accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and

11.10.2.2 in the case of Investments, the market price of those Investments at the time the right of appropriation is exercised determined by the Security Trustee by reference to a recognised market index or by any other method that the Security Trustee may select (including independent valuation).

11.10.3 The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

12. RECEIVER

12.1 Appointment

At any time after the Security constituted by this Deed has become enforceable, or at the request of the Chargor, the Security Trustee may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

12.2 Removal

The Security Trustee may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

12.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

12.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Secured Assets.

12.6 Agent of the Chargor

Any Receiver appointed by the Security Trustee under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.

13. POWERS OF RECEIVER

13.1 General

13.1.1 Any Receiver appointed by the Security Trustee under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 13.2 to clause 13.21.

13.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.

13.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13.1.4 Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Chargor, the directors of the Chargor (in the case of the power contained in clause 13.14) or itself.

13.2 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.

13.3 Employ personnel and advisers

13.3.1 A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.

- 13.3.2 A Receiver may discharge any such person or any such person appointed by the Chargor.
- 13.4 Make and revoke VAT options to tax**
- A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.
- 13.5 Remuneration**
- A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Security Trustee may prescribe or agree with it.
- 13.6 Possession**
- A Receiver may take immediate possession of, get in and realise any Secured Asset.
- 13.7 Manage or reconstruct the Chargor's business**
- A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor.
- 13.8 Dispose of Secured Assets**
- A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.
- 13.9 Sever fixtures and fittings**
- A Receiver may sever and sell separately any fixtures or fittings from any Real Estate without the consent of the Chargor.
- 13.10 Sell Book Debts**
- A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.
- 13.11 Valid receipts**
- A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.
- 13.12 Make settlements**
- A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Chargor or relating in any way to any Secured Asset.
- 13.13 Legal action**
- A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.
- 13.14 Make calls on Chargor members**
- A Receiver may make calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Chargor on its directors in respect of calls authorised to be made by them.

13.15 Insure

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 16, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this Deed.

13.16 Subsidiaries

A Receiver may form a subsidiary of the Chargor and transfer to that subsidiary any Secured Asset

13.17 Borrow

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the Security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Security Trustee consents, terms under which that Security ranks in priority to this Deed).

13.18 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

13.19 Delegation

A Receiver may delegate its powers in accordance with this Deed.

13.20 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

13.21 Incidental powers

A Receiver may do any other acts and things that it:

13.21.1 may consider necessary for realising any of the Secured Assets;

13.21.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or

13.21.3 lawfully may or can do as agent for the Chargor.

14. DELEGATION

14.1 Delegation

The Security Trustee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 18.1).

14.2 Terms

The Security Trustee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

14.3 Liability

Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate unless caused by the gross negligence or wilful default of any Delegate.

15. APPLICATION OF PROCEEDS

15.1 Order of application of proceeds

All monies received or recovered by the Security Trustee, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the Security constituted by this Deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Security Trustee's right to recover any shortfall from the Chargor):

15.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Trustee (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;

15.1.2 in or towards payment of the Secured Obligations in accordance with the terms of the Loan Note Instrument; and

15.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

15.2 Appropriation

Neither the Security Trustee, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Obligations.

15.3 Suspense account

All monies received by the Security Trustee, a Receiver or a Delegate under this Deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Obligations):

15.3.1 may, at the discretion of the Security Trustee, Receiver or Delegate, be credited to a suspense account;

15.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and the Chargor; and

15.3.3 may be held in that account for so long as the Security Trustee, Receiver or Delegate thinks fit.

16. COSTS AND INDEMNITY

Costs

The Chargor shall, promptly on demand, pay to, or reimburse, the Security Trustee and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) properly incurred by the Security Trustee, any Receiver or any Delegate in connection with:

16.1.1 this Deed or the Secured Assets;

16.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's, a Receiver's or a Delegate's rights under this Deed; or

16.1.3 taking proceedings for, or recovering, any of the Secured Obligations,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability became due until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Chargor) at the rate and in the manner specified in the Loan Note Instrument.

16.2 Indemnity

16.2.1 The Chargor shall indemnify the Security Trustee, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

16.2.1.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;

16.2.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the Security constituted by this Deed; or

16.2.1.3 any default or delay by the Chargor in performing any of its obligations under this Deed.

16.2.2 Any past or present employee or agent may enforce the terms of this clause 16.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

17. FURTHER ASSURANCE

17.1 The Chargor shall promptly, at its own expense, take whatever action the Security Trustee or any Receiver (acting reasonably) may require for:

17.1.1 creating, perfecting or protecting the Security created or intended to be created by this Deed;

17.1.2 facilitating the realisation of any Secured Asset; or

17.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee or any Receiver in respect of any Secured Asset,

including without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Security Trustee may consider necessary.

18. POWER OF ATTORNEY

18.1 Appointment of attorneys

By way of security, the Chargor irrevocably appoints the Security Trustee, every Receiver and every Delegate separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- 18.1.1 the Chargor is required to execute and do under this Deed; or
- 18.1.2 any attorney deems proper or necessary in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Trustee, any Receiver or any Delegate.

18.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.

19. RELEASE

- 19.1 Subject to clause 26.3, at the end of the Security Period, the Security Trustee shall, at the request and reasonable cost of the Chargor, take whatever action is necessary to:

- 19.1.1 release the Secured Assets from the Security constituted by this Deed; and
- 19.1.2 reassign the Secured Assets to the Chargor.

20. ASSIGNMENT AND TRANSFER

20.1 Assignment by Security Trustee

The Security Trustee 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 Loan Note Instrument.

20.2 Assignment by Chargor

The Chargor may not assign any of its rights, or transfer any of its rights or obligations, under this Deed.

21. SET-OFF

21.1 Security Trustee's right of set-off

The Security Trustee may at any time set off any mature liability of the Chargor to the Secured Party against any liability of the Secured Parties to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Security Trustee may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Trustee of its rights under this clause 21 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

21.2 No obligation to set off

The Security Trustee is not obliged to exercise its rights under clause 21.1. If, however, it does exercise those rights it must promptly notify the Chargor of the set-off that has been made.

21.3 Exclusion of Chargor's right of set-off

All payments made by the Chargor to the Security Trustee under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

22. AMENDMENTS, WAIVERS AND CONSENTS

22.1 Amendments

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

22.2 Waivers and consents

22.2.1 A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

22.2.2 A failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Security Trustee shall be effective unless it is in writing.

22.3 Rights and remedies

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

23. SEVERANCE

If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.

24. COUNTERPARTS

24.1 This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

24.2 Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by email (in PDF, or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

24.3 Each party intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the parties may only execute this Deed under hand.

25. THIRD PARTY RIGHTS

25.1 Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

- 25.2 The rights of the parties to rescind or agree any amendment or waiver under this Deed are not subject to the consent of any other person.

26. FURTHER PROVISIONS

26.1 Independent Security

The Security constituted by this Deed shall be in addition to, and independent of, any other Security or guarantee that the Security Trustee may hold for any of the Secured Obligations at any time. No prior Security held by the Security Trustee over the whole or any part of the Secured Assets shall merge in the Security created by this Deed.

26.2 Continuing Security

The Security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Obligations, despite any settlement of account, or intermediate payment, or other matter or thing, until the end of the Security Period.

26.3 Discharge conditional

Any release, discharge or settlement between the Chargor and the Security Trustee shall be deemed conditional on no payment or Security received by the Security Trustee in respect of the Secured Obligations being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

26.3.1 the Security Trustee or its nominee may retain this Deed and the Security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Trustee deems necessary to provide the Security Trustee with Security against any such avoidance, reduction or order for refund; and

26.3.2 the Security Trustee may recover the value or amount of such Security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.

26.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it from the Chargor under this Deed and the Loan Note Instrument shall be, in the absence of any manifest error, conclusive evidence of the amount due.

26.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

26.6 Small company moratorium

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by the Chargor under Schedule A1 to the Insolvency Act 1986 nor the doing of anything by the Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

26.6.1 an event under this Deed which causes any floating charge created by this Deed to crystallise;

26.6.2 an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Chargor; or

26.6.3 a ground under this Deed for the appointment of a Receiver.

27. NOTICES

27.1 Delivery

Any notice or other communication given to a party under or in connection with this Deed shall be:

27.1.1 in writing;

27.1.2 delivered by hand, by pre-paid first-class post, or by email; and

27.1.3 sent to:

27.1.3.1 if the Chargor at:
303 The Pill Box 115 Coventry Road, London, England, E2 6GH

Attention: The Directors

27.1.3.2 if to the Security Trustee at:

or to any other address or e-mail address as is notified in writing by one party to the other from time to time.

27.2 Receipt by Chargor

Any notice or other communication that the Security Trustee gives to the Chargor shall be deemed to have been received:

27.2.1 if delivered by hand, at the time it is left at the relevant address;

27.2.2 if posted by pre-paid first-class post, on the fifth Business Day after posting; and

27.2.3 if by email, on successful transmission.

A notice or other communication given as described in clause 27.2.1 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

27.3 Receipt by Security Trustee

Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt.

27.4 Service of proceedings

This clause 27 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27.5 No notice by fax

A notice or other communication given under or in connection with this Deed is not valid if sent by fax.

28. GOVERNING LAW AND JURISDICTION

28.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

28.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SIGNATURES

Chargor

Executed as a Deed
for and on behalf of
ETA PRODUCTIONS LTD

)
)
)



Director

in the presence of:

Signature of witness:



Name:

Frank Taubert

Address:



Occupation:

Company Director

Security Trustee

Executed as a Deed
By **PIET COELEWIJ**

)
)
)

in the presence of:

Signature of witness:

Name:

Address:

Occupation:

SIGNATURES

Chargor

Executed as a Deed
for and on behalf of
ETA PRODUCTIONS LTD

)
)
)



Director

in the presence of:

Signature of witness:



Name:

Frank Taubert

Address:

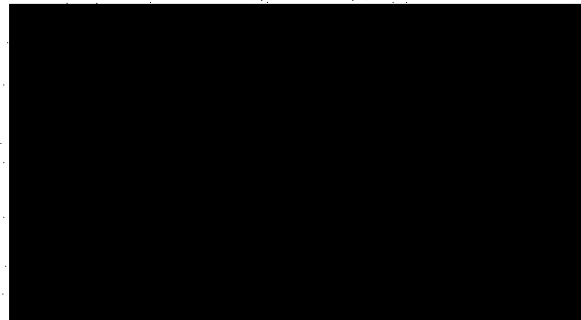


Occupation:

Company Director

Security Trustee

Executed as a Deed
By **PIET COELEWIJ**



in the presence of:

Signature of witness:



Name:

Anelama Ania

Address:



Occupation:

Psychotherapist