



Registration of a Charge

Company Name: **VIRGIN MEDIA NETWORKS LIMITED**

Company Number: **12175177**



XBIVF3OB

Received for filing in Electronic Format on the: **14/12/2022**

Details of Charge

Date of creation: **12/12/2022**

Charge code: **1217 5177 0001**

Persons entitled: **THE BANK OF NOVA SCOTIA AS SECURITY TRUSTEE**

Brief description: **NOT APPLICABLE/NA**

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **THEON RICHARDS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12175177

Charge code: 1217 5177 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th December 2022 and created by VIRGIN MEDIA NETWORKS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th December 2022 .

Given at Companies House, Cardiff on 15th December 2022

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**

12 DECEMBER 2022

VIRGIN MEDIA NETWORKS LIMITED
(as Chargor)

and

THE BANK OF NOVA SCOTIA
(as Security Trustee)

FLOATING CHARGE

LATHAM & WATKINS

99 Bishopsgate
London EC2M 3XF
United Kingdom
Tel: +44.20.7710.1000
www.lw.com

CONTENTS

Clause	Page
1. INTERPRETATION.....	1
2. CREATION OF SECURITY	3
3. NEGATIVE PLEDGE	5
4. REPRESENTATIONS AND UNDERTAKINGS.....	5
5. PRESERVATION OF SECURITY	6
6. WHEN SECURITY BECOMES ENFORCEABLE	8
7. ENFORCEMENT OF SECURITY	8
8. RECEIVER	9
9. POWERS OF RECEIVER	10
10. DELEGATION	12
11. APPLICATION OF PROCEEDS.....	12
12. FURTHER ASSURANCES.....	12
13. WAIVER OF DEFENCES	13
14. POWER OF ATTORNEY.....	13
15. MISCELLANEOUS.....	13
16. LIMITED RECOURSE	14
17. RELEASE.....	14
18. CHANGES TO PARTIES	14
19. COUNTERPARTS	15
20. GOVERNING LAW.....	15

THIS DEED is dated 12 December 2022 and made

BETWEEN:

- (1) **VIRGIN MEDIA NETWORKS LIMITED**, a private limited company incorporated under the laws of England and Wales with registration number 12175177 (the “**Chargor**”); and
- (2) **THE BANK OF NOVA SCOTIA** (the “**Security Trustee**”) as agent and trustee for the Secured Parties.

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Intercreditor Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.
- (C) The Security Trustee holds the benefit of this Deed on trust for itself and the other Secured Parties on the terms and subject to the Intercreditor Agreement.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

“**Act**” means the Law of Property Act 1925.

“**Declared Default Date**” means the date on which, following the occurrence of an Event of Default which is continuing, in respect of which a notice has been served on the Chargor by the relevant Agent pursuant to clause 24.15 (*Acceleration*) of the Senior Facilities Agreement and such notice has not been withdrawn, cancelled or otherwise ceased to have effect.

“**Intercreditor Agreement**” means the intercreditor agreement dated on or about the date hereof (as amended, supplemented and/or restated from time to time) and made between, amongst others, the Chargor as the subordinated creditor, the Relevant Company as the company and The Bank of Nova Scotia as original facility agent and original security trustee.

“**Party**” means a party to this Deed.

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

“**Security Assets**” means all assets of the Chargor that are the subject of any security created by this Deed.

“**Security Period**” means the period beginning on the date of this Deed and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full in accordance with the Intercreditor Agreement or otherwise released in accordance with the Intercreditor Agreement.

1.2 Construction

- (a) Capitalised terms defined in the Intercreditor Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of clause 1.2 (*Construction*), clause 23 (*Notices*), clause 24.1 (*Partial Invalidity*), clause 29 (*Governing Law*) and clause 30.1 (*Jurisdiction*) of the Intercreditor Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Intercreditor Agreement will be construed as references to this Deed.
- (c) A reference in this Agreement to:
 - (i) a “Secured Debt Document” or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Secured Debt Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced (however fundamentally), including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
 - (ii) the term “this Security” means any security created by this Deed; and
 - (iii) “assets” includes present and future properties, revenues and rights of every description.
- (d) If the Security Trustee reasonably believes (after taking legal advice as it considers appropriate) that there is a reasonable likelihood that an amount paid to a Secured Party under a Secured Debt Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.
- (f) A person which is not a Party (a “third party”) shall have no right to enforce any provisions of this Deed except that a third party shall have those rights it would have had if the Contracts (Rights of Third Parties) Act 1999 had not come into effect.
- (g) The Parties may without the consent of any third party vary or rescind this Deed.
- (h) For the avoidance of doubt, the requirement to complete any further assurance obligation or take any perfection step shall be subject to the Agreed Security Principles.
- (i) For the avoidance of doubt, (but without prejudice to the security created, or intended to be created, by this Deed and any actions required to create, perfect or preserve such security) the terms of this Deed shall not operate or be construed so as to prohibit or restrict any transaction, matter or other step permitted by a Secured Debt Document and the Security Trustee shall promptly enter into such documentation and/or take such other action as is required by the Chargor (acting reasonably) in order to facilitate any such transaction, matter or other step, including by way of executing any confirmation, consent to dealing, release or other similar or equivalent document.
- (j) If the terms and conditions of this Deed are in contradiction with the terms and conditions of the Senior Facilities Agreement or the Intercreditor Agreement, to the fullest extent permitted by law, the terms and conditions of the Senior Facilities Agreement or the Intercreditor Agreement (as applicable) shall prevail.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Trustee;
 - (ii) is created over present and future Security Assets;
 - (iii) is security for the payment of all the Secured Obligations; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) The Security Trustee holds the benefit of this Deed on trust for the Secured Parties.

2.2 Floating Charge

- (a) Subject to Clause 2.3 (Excluded Assets), the Chargor charges in favour of the Security Trustee (on behalf of all the Secured Parties) by way of a first floating charge, all of its assets.
- (b) Except as provided below, the Security Trustee may by notice to the Chargor convert the floating charge created by the Chargor under this Clause into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
 - (i) the Declared Default Date has occurred; or
 - (ii) the Security Trustee reasonably considers those assets to be in danger of being seized or sold under any form of distress, attachments, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Clause may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by this Clause will automatically convert into a fixed charge over all of the Chargor's assets if:
 - (i) the members of that Chargor convene a meeting for the purposes of considering any resolution for its winding-up or dissolution; or
 - (ii) an administrator is appointed or the Security Trustee receives notice of an intention to appoint an administrator.

2.3 Excluded Assets

- (a) Unless otherwise agreed in writing between the Chargor and the Security Trustee, there shall be excluded from the Security created by this Clause 2 (Creation of Security), from the provisions of this Deed and from the operation of any further assurance provisions contained in the Secured Debt Documents:

- (i) any asset or undertaking which the Chargor is at any time prohibited (whether conditionally or unconditionally) from creating Security on or over by reason of any contract, licence, lease, instrument or other arrangement with a third party (including any asset or undertaking which the Chargor is precluded from creating Security on or over without the prior consent of a third party), in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party;
 - (ii) any asset or undertaking which, if subject to any such Security or the provisions of this Deed, would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations of any member of the Group in respect of that asset or undertaking or require any member of the Group to take any action materially adverse to the interests of the Group or any member thereof, in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party;
 - (iii) any asset or undertaking that, if subject to any such Security or the provisions of this Deed, would (x) have a material adverse effect on the ability of the Chargor to conduct its operations and business in the ordinary course as otherwise permitted by the Finance Documents (including dealing with the secured assets and all contractual counterparties or amending, waiving or terminating (or allowing to lapse) any rights, benefits or obligations) or (y) unduly disrupt the business of the Chargor;
 - (iv) any asset or undertaking situated outside England and Wales; any unregistered freehold and/or leasehold real property which, (x) if subject to any such Security, would be required to be registered under the Land Registration Act 2002 (provided that such real property shall only be excluded for so long as it remains unregistered) or (y) (except as otherwise agreed between the Chargor and Security Trustee) is a leasehold property that has 25 years or less to run on the lease or has a rack-rent payable in respect thereof;
 - (v) any investment in (or over the assets of) a joint venture (or other minority interest investment), or any member of the Group which is not wholly owned by another member of the Group, or any member of the Group which is not an Obligor or a Holding Company of an Obligor;
 - (vi) any asset or undertaking subject to security in favour of a third party or any cash constituting regulatory capital or customer cash; and
 - (vii) any "Excluded Swap Obligations" defined in accordance with the LSTA Market Advisory Update dated February 15, 2013 entitled "Swap Regulations' Implications for Loan Documentation", and any update thereto by the LSTA.
- (b) If at any time the Chargor (acting reasonably) notifies the Security Trustee that an asset being subject to the Security created by this Clause 2 or any other provision of this Deed has a material adverse effect on the ability of the relevant member of the Group to conduct its operations and business as otherwise not prohibited by the Finance Documents or as otherwise excluded by virtue of this Clause 2.2 (Excluded Assets), the Security Trustee shall promptly enter into such documentation as is required by the Chargor in order to release that asset from the Security created by this Clause 2 and the other provisions of this Deed, provided that any agreed costs and expenses incurred by the Security Trustee entering into such documentation at the request of the Chargor pursuant to this Clause 2.2 (Excluded Assets) shall be for the account of the Chargor (subject to clause 34 (Costs and Expenses) of the Original Senior Facilities Agreement). The Security Trustee is entitled to rely absolutely and without any further investigation

on any such notification from the Chargor and is irrevocably authorised by each Secured Party to enter into such documentation.

3. NEGATIVE PLEDGE

The Chargor may not:

- (a) create or permit to subsist any Security Interest over any Security Asset except as permitted or not prohibited by the Secured Debt Documents; or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset, except as permitted or not prohibited by the Secured Debt Documents.

4. REPRESENTATIONS AND UNDERTAKINGS

The Chargor makes the representations and warranties to each Secured Party.

4.1 Status

- (a) It is a company duly organised or a partnership duly formed, in either case, validly existing under the laws of its jurisdiction of incorporation or establishment.
- (b) It has the power to own its assets and carry on its business substantially as it is being conducted.

4.2 Binding Obligations

- (a) This Deed constitutes its legal, valid and binding obligations enforceable, subject to any relevant reservations or qualifications as to matters of law contained in any legal opinion delivered in respect of any Secured Debt Document.
- (b) The choice of English law of this Deed, and its irrevocable submission to the jurisdiction of the courts of England in respect of any proceedings relating to this Deed, will be recognised and enforced in its jurisdiction of incorporation, subject to any relevant reservation or qualification as to matters of law contained in any legal opinion delivered in respect of any Secured Debt Document.
- (c) Any judgment obtained in England in relation to this Deed, will be recognised and enforced in its jurisdiction of incorporation, subject to any relevant reservation or qualification as to matters of law contained in any legal opinion delivered in respect of any Secured Debt Document.

4.3 Non-conflict with other obligations

The execution and delivery and performance of, and transactions contemplated by, this Deed, will not violate:

- (a) in any material respect, any law or regulation or official judgment or decree applicable to it;
- (b) in any material respect, its constitutional documents; or
- (c) any agreement or instrument to which it is a party or binding on any of its assets or binding upon any other member of the Bank Group or any other member of the Bank Group's assets, where such violation would or is reasonably likely to have a Material Adverse Effect.

4.4 Power and authority

It has the power:

- (a) to enter into and comply with all obligations expressed on its part under this Deed; and
- (b) and has taken all necessary actions to authorise the execution, delivery and performance of this Deed.

4.5 Times for making representations

- (a) The representations and warranties set out in this Deed (including in this Clause) are made on the date of this Deed.
- (b) Without prejudice to paragraph (a) above, each representation and warranty set out in Clauses 4.1 (*Status*), 4.2 (*Binding Obligations*) and 4.4 (*Power and authority*) under this Deed is deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request and on each Utilisation Date.

5. PRESERVATION OF SECURITY

5.1 Continuing security

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

5.2 Reinstatement

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

5.3 Immediate recourse

- (a) The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person before claiming from the Chargor under this Deed.
- (b) This waiver applies irrespective of any law or provision of a Secured Debt Document to the contrary.

5.4 Appropriations

Each Secured Party (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply and enforce them in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor will not be entitled to the benefit of such moneys, security or rights; 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.

5.5 Deferral of Chargor's rights

- (a) Unless the Security Period has expired or the Security Trustee otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Deed:
 - (i) to be indemnified by any Debtor;
 - (ii) to claim any contribution from any Debtor of any Debtor's obligations under the Secured Debt Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Secured Debt Documents or of any other guarantee or security taken pursuant to, or in connection with, the Secured Debt Documents by any Secured Party;
 - (iv) to bring legal or other proceedings for an order requiring any Debtor to make any payment, or perform any obligation, in respect of which it has granted security under this Deed;
 - (v) to exercise any right of set-off against any Debtor; and/or
 - (vi) to claim or prove as a creditor of any Debtor in competition with any Secured Party.
- (b) If the Chargor receives any benefit, payment or distribution in relation to such rights it must hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Debtors under or in connection with the Secured Debt Documents to be repaid in full on trust for the Secured Parties and must promptly pay or transfer them to the Security Trustee or as the Security Trustee may direct for application in accordance with the terms of this Deed.

5.6 Additional security

- (a) This Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by any Secured Party.
- (b) No prior security held by any Secured Party (in its capacity as such or otherwise) over any Security Asset will merge into this Security.

5.7 Security held by Chargor

- (a) The Chargor may not, without the prior consent of the Security Trustee, hold any security from any other Debtor in respect of the Chargor's liability under this Deed. The Chargor will hold any security held by it in breach of this provision on trust for the Security Trustee.
- (b) It is hereby agreed that, in relation to any jurisdiction the courts of which would not recognise or give effect to the trusts expressed to be created by this Clause, the relationship of the Secured Parties to the Chargor shall be construed as one of principal and agent.

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Declared Default Date

This Security will become immediately enforceable if the Declared Default Date occurs.

6.2 Discretion

On and after the Declared Default Date, the Security Trustee may in its absolute discretion enforce all or any part of this Security in accordance with the Intercreditor Agreement.

6.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed and all other enforcement powers conferred by this Deed, will be immediately exercisable at any time on or after the Declared Default Date.

6.4 National Security and Investment Act 2021 (“NSIA”)

If the exercise of rights by the Security Trustee gives rise to a notifiable acquisition under section 6 of the NSIA, the Security Trustee shall not exercise those rights until it has received the necessary approvals under section 13(2) of the NSIA, and the exercise of those rights will not breach the terms of a final order, if any, made under section 26(3) of the NSIA.

7. ENFORCEMENT OF SECURITY

7.1 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 Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

7.2 No liability as mortgagee in possession

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

7.3 Privileges

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

7.4 Protection of third parties

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

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Trustee or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Secured Debt Documents; or

- (d) how any money paid to the Security Trustee or to that Receiver is to be applied.

7.5 Redemption of prior mortgages

- (a) At any time on or after the Declared Default Date, the Security Trustee may:
 - (i) redeem any prior Security Interest against any Security Asset; and/or
 - (ii) procure the transfer of that Security Interest to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Trustee the costs and expenses incurred by the Security Trustee in accordance with clause 20 (*Costs and Expenses*) of the Intercreditor Agreement.

7.6 Contingencies

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

8. RECEIVER

8.1 Appointment of Receiver

- (a) Except as provided below, the Security Trustee may appoint any one or more persons to be a Receiver of all or any part of the Security Assets:
 - (i) on or after the Declared Default Date; or
 - (ii) if the Chargor so requests the Security Trustee in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986.

8.2 Removal

The Security Trustee may by writing under its hand remove any Receiver appointed by it and may, whenever it thinks fit (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership), appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

8.3 Remuneration

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

8.4 Agent of the Chargor

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

8.5 Relationship with Security Trustee

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

9. POWERS OF RECEIVER

9.1 General

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

9.2 Possession

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

9.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

9.4 Employees

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

9.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit which the Receiver believes (acting reasonably) will generate the best available price in relation to such Security Asset.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

9.7 Compromise

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

9.8 Legal actions

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

9.9 Receipts

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

9.10 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

9.11 Delegation

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

9.12 Lending

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

9.13 Protection of assets

A Receiver may do any act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset.

9.14 Other powers

A Receiver may:

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

10. DELEGATION

- (a) The Security Trustee, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by this Deed.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Trustee, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

11. APPLICATION OF PROCEEDS

Any moneys received by the Security Trustee or any Receiver on or after the Declared Default Date must be applied in accordance with clause 14.1 (*Order of Application of Group Recoveries*) of the Intercreditor Agreement.

12. FURTHER ASSURANCES

The Chargor must, at its own expense, promptly take all such reasonable action as the Security Trustee or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset provided by or pursuant to this Deed or by law,

in each case, including:

- (i) the execution or re-execution of any charge, transfer or assignment or other Security of any Security Asset whether to the Security Trustee or to its nominee; or
- (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Trustee may (acting reasonably) think expedient, **provided that** the Security Trustee will not require the Chargor to do any act or execute any document which would cause it to contravene any of the Secured Debt Documents.

13. WAIVER OF DEFENCES

Paragraph 24.4 (*Waiver of defences*) of the Intercreditor Agreement will apply in relation to this Deed as if incorporated in this Deed, but on the basis that the obligations of each Security Grantor arising under such clause will be deemed to refer to the obligations of the Chargor arising under this Deed.

14. POWER OF ATTORNEY

- (a) Until the end of the Security Period, the Chargor, by way of security, irrevocably and severally appoints the Security Trustee, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which it is obliged to take under this Deed.

The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause (acting lawfully).

- (b) The Security Trustee, each Receiver and any of its delegates or sub-delegates shall only exercise the power of attorney contained in this Clause:
 - (i) on or after the Declared Default Date; or
 - (ii) if the Chargor has failed to comply with a further assurance or perfection obligation under the Secured Debt Documents within 10 Business Days of being notified of that failure and being requested to comply.

15. MISCELLANEOUS

15.1 Covenant to pay

The Chargor must pay or discharge the Secured Obligations when they fall due in the manner provided for in the Secured Debt Documents.

15.2 New Accounts

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

15.3 Time deposits

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

- (a) the Declared Default Date has occurred; and
- (b) no Secured Obligation is due and payable,

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

15.4 Notice of assignment

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any other member of the Bank Group and contained in any other Secured Debt Document.

15.5 Intercreditor Agreement

The Chargor and the Security Trustee hereby acknowledge that the covenants of the Chargor contained in this Deed and the security and other rights, titles and interests constituted by this Deed and the Security Assets (and all other moneys, property and assets paid to the Security Trustee or held by the Security Trustee or received or recovered by the Security Trustee

pursuant to or in connection with this Deed) are held by the Security Trustee, subject to and on the terms of the trusts declared in the Intercreditor Agreement.

15.6 Set-off rights

- (a) The Security Trustee may from the Declared Default Date, set-off any matured obligation due from the Chargor under the Secured Debt Documents (to the extent beneficially owned by the Security Trustee) against any matured obligation owed by the Security Trustee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (b) Before exercising any right of set-off under paragraph (a) above, the Security Trustee shall give the Chargor written notice of its intention to exercise such rights of set-off and neither the Security Trustee nor the Chargor will be liable to any other Party as a consequence of the Security Trustee exercising such rights.

16. LIMITED RECOURSE

The Chargor's liability to pay any amounts under this Deed may be discharged only from, and the recourse of the Security Trustee in this regard is expressly limited to, the Chargor's Security Assets under this Deed. Any claim under this Deed may only be made to the extent of, and is expressly limited to, amounts recovered by the Security Trustee in respect of the Security Assets. The limitations in this Clause apply notwithstanding anything else in this Deed to the contrary.

17. RELEASE

At the end of the Security Period, the Secured Parties must, at the request and cost of the Chargor, promptly take whatever action is necessary to release its Security Assets from this Security.

18. CHANGES TO PARTIES

- (a) The Chargor may not assign or transfer any of its rights or obligations under this Deed, without the prior consent of the Security Trustee, except as permitted by the Secured Debt Documents.
- (b) The Security Trustee may assign any of its rights and transfer any of its rights or obligations under this Deed, in the manner permitted under the Secured Debt Documents. The Chargor's consent is not required for any such assignment or transfer.

19. COUNTERPARTS

This Deed may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

20. GOVERNING LAW

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

THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.

THE CHARGOR

)
)
)
)
)
)
)

REDACTED

Executed as a **DEED** by

VIRGIN MEDIA NETWORKS LIMITED
acting by

Director: Julia Boyle

Director: Mark Hardman

THE SECURITY TRUSTEE

Executed as a **DEED** by

THE BANK OF NOVA SCOTIA

acting by

REDACTED

Authorised Signatory:

Rory McCarthy

Authorised Signatory:

Sonya Bikhit