



Registration of a Charge

Company Name: **AC HOLDINGS (HSG) LIMITED**

Company Number: **12874678**



Received for filing in Electronic Format on the: **23/08/2021**

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Details of Charge

Date of creation: **23/08/2021**

Charge code: **1287 4678 0001**

Persons entitled: **UBP PRIVATE DEBT FUND II DESIGNATED ACTIVITY COMPANY**

Brief description: **NONE AS AT THE DATE OF THE INSTRUMENT.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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: **ROBIN SPENDER**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12874678

Charge code: 1287 4678 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd August 2021 and created by AC HOLDINGS (HSG) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd August 2021 .

Given at Companies House, Cardiff on 24th August 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**

EXECUTION VERSION

Date: 23 August 2021

AC HOLDINGS (HSG) LIMITED

as Chargor

**UBP Private Debt Fund II Designated Activity Company
(formerly known as ACPI Private Debt Fund II Designated
Activity Company)**

as Noteholder

Shareholder Security Agreement

EXECUTION VERSION

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EXECUTION VERSION

THIS SECURITY AGREEMENT is made the 23rd day of August 2021

BETWEEN:

- (1) **AC HOLDINGS (HSG) LIMITED** a company incorporated under the laws of England and Wales with registered number 12874678 and whose registered office is at 6/F Stockbridge House, Trinity Gardens, Newcastle Upon Tyne NE1 2HJ (the "**Chargor**"); and
- (2) **UBP PRIVATE DEBT FUND II DESIGNATED ACTIVITY COMPANY (formerly known as ACPI PRIVATE DEBT FUND II DESIGNATED ACTIVITY COMPANY)** a company registered in Ireland with registration number 632670 and whose registered office is at c/o Link IFS Limited, First Floor, 2 Grand Canal Square, Grand Canal Harbour, Ireland, Dublin 2, D02 A342 (the "**Noteholder**").

IT IS AGREED as follows:

1. Definitions and interpretation

1.1 Definitions

In this Deed:

"Act" means the Law of Property Act 1925;

"Administrator" means an administrator appointed under paragraph 14 of schedule B1 to the Insolvency Act 1986;

"Assigned Receivables" means all Receivables owed to the Chargor pursuant to an Intra-group Loan;

"Company" means Pottery Lane (HSG) Limited a company incorporated under the laws of England and Wales with registered number 11582575 and whose registered office is at 6th Floor, Stockbridge House, Trinity Gardens, Newcastle Upon Tyne NE1 2HJ;

"Dividends" means all dividends, interest, coupons and other distributions paid or payable in respect of any Shares;

"Shares" means all shares held by the Chargor in the Company;

"Instrument" means the instrument dated 10 April 2019 as amended pursuant to a deed of variation dated 10 December 2019 under which Kent Street (HSG) Limited agreed to issue the Loan Notes, as amended and novated to the Company pursuant to a deed of novation dated 29 March 2021;

"Intra-group Loans" means any debt owed by the Company to the Chargor;

"Loan Notes" means the loan notes constituting a maximum of £7,200,000 senior secured loan notes 2020 pursuant to the Instrument;

"Receivables" means, in relation to the Chargor, book and other debts and rights to money and income liquidated and unliquidated due or owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

"Receiver" means any one or more persons appointed by the Noteholder as a receiver, receiver and manager or (if allowed by law) administrative receiver under this Deed;

"Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (as amended) or (where the context admits) equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements;

"Secured Obligations" means the aggregate amount of all present and future obligations and liabilities of each Obligor owed or expressed to be owed to the Noteholder under or in connection with any Notes Document whether actual or contingent and whether owed or incurred alone or jointly and/or severally with another and as principal or as surety or in any other capacity or of any nature;

"Security Assets" means all assets and undertaking of the Chargor from time to time the subject of any Security created or, where the context admits, to be created by this Deed;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Noteholder is satisfied that all the Secured Obligations have been unconditionally and irrevocably paid, released and discharged in full and no further Secured Obligations are capable of becoming outstanding;

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

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

1.2 Construction

- (a) In this Deed, unless a contrary indication appears, any reference to:
- (i) **"assets"** includes present and future properties, revenues and rights of every description and includes the proceeds of sale of any such asset;
 - (ii) a Notes Document or any other agreement or document is a reference to that Notes Document or other agreement or document as it may have been, or may from time to time be, amended, varied, supplemented or novated;
 - (iii) a party to this Deed shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (iv) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (v) a provision of law includes that provision as amended, re-enacted or replaced from time to time and includes any subordinate legislation;
 - (vi) the **"Security Assets"** and any other asset or assets or the **"Secured Obligations"** includes a reference to any part of them or it;
 - (vii) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (viii) **"this Security"** means any Security created or constituted by this Deed; and
- (ix) words in the singular include the plural and vice versa and words in one gender include any other gender.
- (b) Headings in this Deed are for ease of reference only.
- (c) The provisions of Clauses 1.1 (*Defined terms*) (to the extent such words or terms are not otherwise defined in this Deed) and 1.2 (*Interpretation*) of the Instrument shall be deemed to be incorporated into this Deed.
- (d) Any covenant or undertaking by the Chargor under this Deed is given to or made in favour of the Noteholder and remains in force during the Security Period.
- (e) An Event of Default is **"continuing"** if it has not been waived in writing.
- (f) It is intended that this document take effect as a deed notwithstanding the fact that (if executed by the Noteholder) the Noteholder may only execute this document under hand.
- (g) This Deed is a Notes Document.
- (h) Unless expressly defined in this Deed or a contrary indication appears, words and expressions defined in the Instrument have the same meanings when used in this Deed.
- (i) The fact that the details of any assets in the Schedules are incorrect or incomplete shall not affect the validity or enforceability of this Deed in respect of the assets of the Chargor.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any provision of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

2. Undertaking to pay

2.1 Undertaking to pay

The Chargor, as primary obligor and not merely as surety, undertakes with the Noteholder to pay the Secured Obligations on demand on the date(s) on which such Secured Obligations are expressed to become due and in the manner provided for in the relevant Notes Document.

2.2 Amount secured

The Chargor acknowledges to the Noteholder that the amount secured by this Deed and in respect of which this Security is enforceable is the full amount of the Secured Obligations.

2.3 Interest

If the Chargor fails to pay any of the Secured Obligations on the due date for payment of that sum, the Chargor shall on demand pay to the Noteholder interest on all such sums from the due date until the date of payment (both before and after judgment) calculated and payable in accordance with the rate and in the manner specified in the Instrument.

3. Provisions relating to Security

3.1 Nature of Security created

All the Security created under this Deed is created:

- (a) with full title guarantee as a continuing security for the payment, discharge and performance of the Secured Obligations; and
- (b) in favour of the Noteholder.

3.2 Consents

- (a) If the Chargor purports to mortgage, assign or charge (absolutely or by way of fixed mortgage or charge) an asset under this Deed and such mortgage, assignment or charge breaches a term of an agreement or licence binding on the Chargor in respect of that asset because the consent of a person has not been obtained:
 - (i) the Chargor shall notify the Noteholder immediately;
 - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed will extend (to the extent no breach of the relevant agreement would occur) to all amounts which the Chargor may receive and other rights in respect of that asset but will exclude the asset itself;
 - (iii) unless the Noteholder otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent of the relevant person and, once obtained, shall promptly provide a copy of that consent to the Noteholder; and
 - (iv) immediately upon the relevant consent being obtained, the relevant asset shall become subject to this Security in favour of the Noteholder under Clause 4 (*Fixed Security*).

4. Fixed Security

4.1 Assigned receivables

The Chargor assigns absolutely, subject to the provisions of Clause 21 (*Release and recourse*) all Assigned Receivables.

4.2 Shares

The Chargor charges by way of fixed charge all its rights, title or interest in the Shares and all Dividends in respect of the Shares.

5. Restrictions on dealing

The Chargor shall not:

- (a) create or permit to subsist any Security over any of the Security Assets; or
- (b) sell, transfer, license, lease or otherwise dispose of any of the Security Assets.

6. Representations

The Chargor makes the representations and warranties set out in this Clause to the Noteholder.

6.1 Nature of Security

Subject to general principles of law limiting its obligations, this Deed creates the Security it purports to create in respect of the Chargor and such Security is valid and effective.

6.2 Security Assets

- (a) It is the sole legal and beneficial owner of, and absolutely entitled to, the assets it purports to mortgage, charge or assign under this Deed (save, where relevant, in respect of the legal ownership of any of its Shares registered in the name of its nominee or custodian or in the name of the Noteholder (or its nominee) pursuant to this Deed).
- (b) Such assets are free from any Security (except as created by this Deed in favour of the Lender or as permitted by the Notes Documents) and it has not granted any option or other right in favour of a third party or otherwise encumbered any such assets.

6.3 Shares

- (a) Its Shares are duly authorised, validly issued, freely transferable and fully paid.
- (b) The terms and conditions of its Shares do not restrict or otherwise limit its right to transfer or charge them other than any restriction permitted under the Notes Documents.
- (c) It has not nominated any person to enjoy or exercise any rights relating to the Shares pursuant to Part 9 of the Companies Act 2006 or otherwise.
- (d) No person has or is entitled to any conditional or unconditional option, warrant or other right to subscribe for, purchase or otherwise acquire any issued or unissued shares, or any interest in shares, in the capital of any of its Subsidiaries.
- (e) It has complied with all notices relating to its Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- (f) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of its Shares.

6.4 Repetition

The representations and warranties in this Clause are deemed to be made by the Chargor on the date of this Deed and to be repeated by the Chargor by reference to the facts and circumstances then existing on each Interest Accrual Date (as defined in the Instrument).

7. General undertakings

7.1 Covenant to perform

The Chargor shall at all times observe and perform the obligations, terms and conditions on its part of the Notes Documents.

7.2 Carry on business

The Chargor shall carry on its business in a proper manner and not make any material alteration in the nature of its business.

7.3 Laws

The Chargor shall observe and perform all laws, covenants and stipulations from time to time affecting any of its Security Asset or otherwise relating to its business.

7.4 Not to jeopardise this Security

The Chargor shall not do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the Security Assets or their value to the Noteholder.

7.5 Accounting records

The Chargor shall keep proper accounting records and make all proper entries in relation to its affairs, in each case, in respect of the Company and make such records available for inspection by or on behalf of the Noteholder or any Receiver at the cost of the Chargor at all reasonable times.

7.6 Information

The Chargor shall promptly:

- (a) provide the Noteholder or any Receiver with all such documents and information about its Security Assets and about the Chargor's business and affairs (including its books, accounts and records), in each case, in respect of the Company, as the Noteholder may from time to time reasonably require;
- (b) provide the Noteholder with copies of all communications sent to shareholders and/or creditors or any class of them generally; and
- (c) deliver to the Noteholder a copy of any notice or litigation, arbitration or administrative proceedings which to its knowledge are threatened, pending or have been commenced against it which is likely to have a Material Adverse Effect.

7.7 Documents

- (a) The Chargor shall, upon execution of this Deed or, if later, upon receipt, deposit with the Noteholder all deeds, certificates and other documents evidencing title in respect of its Shares.
- (b) The Noteholder is entitled to hold and retain all such deeds, certificates and documents until the expiry of the Security Period or, if earlier, until the Security Asset to which such deeds, certificates or documents of title relate is released from this Security in accordance with the Notes Documents.

7.8 Events of Default

The Chargor shall upon becoming aware of the same promptly notify the Noteholder of the occurrence of any Event of Default and at the same time inform the Noteholder of any action taken or proposed to be taken by it in connection with it.

7.9 Accuracy of information

The Chargor shall ensure that all information supplied to the Noteholder by it is at the time of supply complete and accurate in all material respects.

7.10 Centre of main interests

The Chargor shall not move its centre of main interests for the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) outside England and Wales.

8. Shares

8.1 Documents of title relating to Shares

The Chargor shall, on the date of this Deed or, if later, upon becoming entitled to the relevant Shares, deliver to the Noteholder:

- (a) all stock and share certificates and other documents of title relating to its Shares; and
- (b) all stock transfer forms (duly executed in blank and left undated) and other documents that the Noteholder may request in respect of such Shares and in such form as the Lender may require (including declarations of trust in relation to any Shares in which the Chargor has an interest that are not held in its sole name, and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered).

8.2 Voting powers

- (a) Prior to the occurrence of a Voting Event:
 - (i) the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Shares (subject to paragraph (b) below); and
 - (ii) if the Shares of the Chargor have been registered in the name of the Noteholder (or its nominee), the Noteholder (or its nominee) shall exercise the voting rights, powers and other rights in respect of such Shares in such manner as the Chargor may direct in writing from time to time.
- (b) The Chargor shall not exercise any of its voting rights, powers and other rights in respect of its Shares (or direct the Noteholder (or its nominee) to exercise such voting rights, powers and other rights) in any manner which varies the rights attaching to or conferred by the Shares in any way which could reasonably be expected to adversely effect the interests of the Noteholder or which could reasonably be expected to prejudice the value of or the ability of the Noteholder to realise this Security in respect of such Shares.
- (c) Before the occurrence of a Voting Event, voting power (for the purposes of section 435(10) of the Insolvency Act 1986) in respect of its Shares shall remain with the Chargor and shall not pass to the Noteholder.

- (d) In this Clause **Error! Reference source not found. "Voting Event"** in relation to a particular Group Share means service of a notice by the Noteholder (either specifying that Group Share or generally in relation to all or a designated class of Shares) on the Chargor on or following an Event of Default specifying that control over voting rights are to pass to the Noteholder.

8.3 Other undertakings

- (a) Prior to the occurrence of an Event of Default, the Chargor shall be entitled to receive and retain all Dividends paid or payable in relation to its Shares.
- (b) On and after the occurrence of an Event of Default, all Dividends in respect of any of its Shares will be payable to the Noteholder and may be applied by the Noteholder in reduction of the Secured Obligations whether or not any such Shares is registered in the name of the Noteholder or its nominee or in the name of the Chargor or its nominee.
- (c) The Chargor shall not nominate any person, other than the Noteholder (or its nominee), to enjoy or exercise any right relating to any of the Shares whether pursuant to Part 9 of the Companies Act 2006 or otherwise.
- (d) At any time when any Shares of the Chargor have been registered in the name of the Noteholder (or its nominee), the Noteholder (or its nominee) will not be under any duty to ensure that any Dividends or other monies payable in respect of such Shares are duly and promptly paid or received by it (or its nominee), or to verify that the correct amounts are paid or received by it (or its nominee), or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of such Shares.
- (e) Prior to the occurrence of an Event of Default, the Noteholder shall use all reasonable endeavours to forward to the Chargor all material notices, correspondence and other communication it receives in relation to the Shares.
- (f) The Chargor shall promptly copy to the Noteholder and comply with all requests for information which are made under the Companies Act 2006 (including, but not limited to, under sections 790D and 790E of the Companies Act 2006) relating to its Shares. If it fails to do so, the Noteholder may elect to provide such information as it may have on behalf of the Chargor.
- (g) The Chargor shall indemnify the Noteholder (or its nominee) against any loss or liability incurred by the Noteholder (or its nominee) as a consequence of the Noteholder (or its nominee) acting at the direction of the Chargor in respect of its Shares.
- (h) The Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Shares. In the case of a default by the Chargor in such payment, the Noteholder may make such payment on behalf of the Chargor in which case any sums paid by the Noteholder shall be reimbursed (together with interest at the rate applicable under Clause 2.3 (*Interest*) for the period from and including the date incurred up to and excluding the date reimbursed) by the Chargor to the Noteholder on demand.

8.4 Exercise of rights on Voting Event

- (a) On and after the occurrence of a Voting Event, the Noteholder (or its nominee) may exercise or refrain from exercising any voting rights, powers and other rights in respect of the Shares in each case in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.
- (b) The Chargor irrevocably appoints the Noteholder (or its nominee) as its proxy to exercise all voting rights in respect of the Shares with effect from the occurrence of a Voting Event to the extent that such Shares remain registered in its name.

8.5 Clearance systems

- (a) The Chargor shall, if so requested by the Noteholder:
 - (i) instruct or request its nominee or custodian to instruct any clearance system (including, but not limited to, CREST) to transfer any Shares held by it or its nominee or custodian for the Chargor to an account of the Noteholder or its nominee with that clearance system; and
 - (ii) take whatever action the Noteholder may request for the dematerialisation or rematerialisation of any Shares held in a clearance system.
- (b) The Noteholder may, at the expense of the Chargor, take whatever action the Noteholder considers necessary for the dematerialisation or rematerialisation of the Shares.

8.6 Custodian arrangements

The Chargor shall:

- (a) promptly give notice of this Deed to any custodian of any Shares in any form which the Noteholder may reasonably require; and
- (b) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Noteholder may reasonably require.

9. Power to remedy

9.1 Noteholder's powers

If the Chargor fails to comply with any of the covenants or obligations set out in this Deed or fails to perform its obligations affecting the Security Assets, and such failure is not remedied promptly to the satisfaction of the Noteholder, the Chargor will allow the Noteholder, its agents or contractors to take such action on behalf of the Chargor as may be necessary to ensure that such covenants and obligations are complied with. Such action may include, but is not limited to taking such action as the Noteholder considers necessary or appropriate to comply with or object to any notice served on the Chargor, and the Noteholder shall not, by taking any such action, become liable as a mortgagee in possession.

9.2 Reimbursement of expenses

The Chargor shall reimburse the Noteholder on demand for all costs and expenses incurred by the Noteholder in anything done pursuant to the powers contained in Clause 9.1 (*Noteholder's*

powers) together with interest from the date of payment by the Noteholder until the reimbursement calculated in accordance with Clause 2.3 (*Interest*).

10. When Security becomes enforceable

10.1 Timing

This Security shall become immediately enforceable if:

- (a) an Event of Default occurs; or
- (b) the Chargor requests the Noteholder to exercise any of its powers under this Deed.

10.2 Enforcement

After this Security has become enforceable, the Noteholder may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

11. Enforcement of Security

11.1 Noteholder's powers

Immediately upon this Security becoming enforceable or at any time thereafter the Noteholder may do all or any of the following:

- (a) exercise the power of sale and all other rights, powers and discretions conferred on mortgagees by section 101 of the Act as varied or extended by this Deed;
- (b) appoint one or more qualified persons as an Administrator of the Chargor (to act together or independently of any others so appointed) in accordance with schedule B1 to the Insolvency Act 1986, and for this purpose "qualified person" means a person who, under the Insolvency Act 1986, is qualified to act as an administrator of any company with respect to which he is appointed;
- (c) subject to section 72A of and paragraph 43 of schedule A1 to the Insolvency Act 1986, appoint one or more persons as a Receiver of all or any part of the Security Assets;
- (d) exercise all the rights, powers and discretions conferred on a Receiver by this Deed, the Act, the Insolvency Act 1986 or otherwise by law, without first appointing a Receiver or notwithstanding the appointment of a Receiver;
- (e) exercise all other powers conferred on mortgagees or receivers by law;
- (f) to the extent that this Deed constitutes a "security financial collateral arrangement" as defined in the Regulations, without notice to the Chargor, appropriate any Security Asset which constitutes "financial collateral" as defined in the Regulations in or towards satisfaction of the Secured Obligations and for this purpose the value of the financial collateral so appropriated shall be:
 - (i) in the case of cash, the amount standing to the credit of each relevant account together with any accrued but unposted interest at the time the right of appropriation is exercised; and
 - (ii) in the case of any Shares, the market price of such Shares at the time the right of appropriation is exercised determined by the Noteholder in a commercially

reasonable manner (including by reference to a public index or independent valuation or other procedure selected by the Noteholder acting reasonably).

The Chargor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Regulations.

11.2 Consideration on a disposal

The consideration for any sale or other disposal of the Security Assets by the Noteholder or any Receiver in the exercise of their respective powers may (in addition to that permitted under the Act on a sale by a mortgagee) consist of cash, shares, securities, debentures or other valuable consideration, may fluctuate according to or dependent upon profit or turnover or be determined by a third party, and may be payable in a lump sum or in instalments (with or without security).

11.3 Leasing

The statutory powers of leasing conferred on the Noteholder are extended so as to authorise the Noteholder to lease, make agreements for leases, accept surrenders of leases and grant options as the Noteholder may think fit and without the need to comply with any provision of sections 99 or 100 of the Act, and may be exercised by the Noteholder at any time after this Security has become enforceable. Any lease granted will bind any holder of a subsequent Security deriving title under the Noteholder.

11.4 Protection of third parties

No person (including a purchaser) dealing with the Noteholder or a Receiver will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any right or power which the Noteholder or a Receiver is purporting to exercise has arisen or become exercisable;
- (c) whether any money remains due under this Deed or the other Notes Documents;
- (d) how any money paid to the Noteholder or to a Receiver is to be applied; or
- (e) as to the propriety or regularity of such dealings.

11.5 Redemption of prior mortgages

At any time after this Security has become enforceable, the Noteholder may redeem any prior Security against any Security Asset, and/or procure the transfer of that Security to itself, and/or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on the Chargor. All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Noteholder on demand and form part of the Secured Obligations.

11.6 Cash cover

After this Security has become enforceable the Chargor shall, immediately on demand, provide to the Noteholder full cash cover for any contingent liabilities forming part of the Secured Obligations including liabilities arising in respect of bills of exchange or promissory notes

accepted, endorsed or discounted and bonds, guarantees, indemnities, documentary or other credits or other instruments from time to time entered into by the Noteholder.

11.7 Receipts

The receipt of the Noteholder or the Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve it of any obligation to see to the application of any moneys paid to or by the direction of the Noteholder or the Receiver.

11.8 General

- (a) For the purposes of all rights, powers and discretions implied by statute or arising by law, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) The power of sale and all other powers conferred on mortgagees by section 101 of the Act as varied or extended by this Deed shall arise on the execution of this Deed by the Chargor.
- (c) 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.
- (d) The power to appoint a Receiver pursuant to Clause 11.1 (*Noteholder's powers*) is in addition to the power to appoint a Receiver under section 101 of the Act. Section 109(1) of the Act does not apply to this Deed.

12. Receiver

12.1 Appointment

Any appointment of a Receiver by the Noteholder shall be by deed or in writing under its hand.

12.2 Extension of appointment

If a Receiver is appointed of part of the Security Assets, the Noteholder may subsequently extend the appointment to all or any other part of the Security Assets or appoint another Receiver of any other part of the Security Assets.

12.3 Removal

The Noteholder may by writing under its hand or by deed (subject to any requirement for an order of the court in the case of an administrative receiver):

- (a) remove any Receiver appointed by it; and
- (b) whenever it deems it expedient, appoint a new Receiver to be an additional Receiver or in the place of any Receiver whose appointment may for any reason have terminated.

12.4 Remuneration

The Noteholder may appoint any Receiver upon such terms as to remuneration and otherwise as the Noteholder thinks fit, and the maximum rate specified in section 109(6) of the Act will not apply.

12.5 Payments to the Noteholder

Only monies actually paid by a Receiver to the Noteholder in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Noteholder for that purpose.

12.6 Agent of Chargor

Each Receiver shall be the agent of the Chargor for all purposes and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for his remuneration and for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Noteholder shall not incur any liability (either to the Chargor or to any other person) by reason of the Noteholder making his appointment as a Receiver or for any other reason. If a liquidator is appointed in respect of the Chargor, the Receiver shall act as principal and not as agent of the Noteholder.

12.7 Receivers of the same assets

If at any time any two or more persons appointed by the Noteholder hold office as Receivers of the same assets or income, each of them may (unless otherwise stated in the instrument(s) appointing them) exercise all rights, powers and discretions conferred on Receivers by this Deed individually and to the exclusion of the other or others of them.

13. Powers of Receiver**13.1 General powers**

A Receiver has (subject to any limitation or restriction expressed in the instrument appointing him) all the rights, powers and discretions set out below in this Clause 13 in addition to those conferred on the Receiver by any law or otherwise conferred by this Deed. Such rights, powers and discretions include (without limitation):

- (a) in the case of an administrative receiver all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986;
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or receiver or manager) under the Act or the Insolvency Act 1986.

13.2 Possession

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

13.3 Comply with undertakings

A Receiver may comply with and perform all of the undertakings and covenants of the Chargor contained in this Deed.

13.4 Carry on business

A Receiver may carry on, manage, develop, amalgamate, reconstruct or diversify the whole or any part of the Chargor's business and, where the Chargor has one or more Subsidiaries, may supervise, control and finance any such Subsidiary or business.

13.5 Borrow money

A Receiver may raise or borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on such terms as he may think fit.

13.6 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer any Security Asset to that Subsidiary on such terms and conditions as he thinks fit.

13.7 Power of sale

A Receiver may sell, transfer, assign, exchange, hire out, lend or otherwise convert into money or realise or dispose of the Security Assets or concur in any of the same, either by public auction or private contract or in any other manner, and generally in such manner and on such terms and conditions and for such consideration as he may think fit.

13.8 Transfers and other disposals

A Receiver may carry any sale, letting or other disposal into effect by transferring, letting or otherwise making such disposal in the name of the Chargor and for that purpose may give valid receipts for all moneys and enter into covenants and contractual obligations in the name of and so as to bind the Chargor.

13.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to the Security Assets or the business of the Chargor as he may think fit.

13.10 Obligations in relation to the Security Assets

A Receiver may enter into, perform, repudiate, rescind, rectify or vary contracts, bonds, covenants, commitments, guarantees, indemnities and similar matters in relation to the Security Assets and may make all payments needed to effect, maintain, perform or satisfy any of the same.

13.11 Settle disputes

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

13.12 Insurance

A Receiver may effect such insurances of or in connection with the Security Assets as he may think fit.

13.13 Employees

A Receiver may engage or employ or dismiss managers, officers, contractors, agents, servants, workmen and others for any of the purposes referred to in this Clause 13 upon such terms as to remuneration or otherwise as he may think fit.

13.14 Prior Security

A Receiver may redeem, discharge or compromise any prior Security and settle the account of encumbrances on such terms as he may think fit.

13.15 Act in Chargor's name

A Receiver may do all acts and execute in the name and on behalf of the Chargor, any deed, receipt or other document.

13.16 VAT

A Receiver may make such elections, registrations and applications for VAT purposes as he may think fit, and may do so in, or use the Chargor's name, for any such purpose.

13.17 Credit and guarantees

A Receiver may lend money or extend credit to any customer of the Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and make all requisite payments to effect, maintain or satisfy the same.

13.18 Other acts

A Receiver may do all other acts and things which he may consider to be necessary, expedient or desirable for preserving, improving or realising any Security Asset or the getting in and collection of the Security Assets (or any assets which when got in would constitute Security Assets) or which are incidental or conducive to any of the rights, powers and discretions conferred on a Receiver by or pursuant to this Deed or by law.

13.19 Other powers

A Receiver may exercise in relation to the Security Assets all powers, authorities and things which he could exercise if he were the absolute beneficial owner of the Security Assets.

14. Exclusion of liability**14.1 No obligation to recover**

Neither the Noteholder nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Security Assets whether or not it is in possession of the relevant Security Assets.

14.2 No liability as mortgagee in possession

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

14.3 Possession

If the Noteholder or any Receiver shall take possession of the Security Assets it or he may at any time go out of possession. The Chargor will remain liable to observe and perform all conditions and obligations relating to its Security Assets.

14.4 Losses on enforcement

The Noteholder or any Receiver will not be liable to the Chargor for any loss or damage arising from:

- (a) any sale of any Security Asset;
- (b) any act, default or omission of the Noteholder or any Receiver in relation to any Security Asset; or
- (c) any exercise or non-exercise by the Noteholder or any Receiver of any power conferred upon it in relation to any Security Asset by or pursuant to this Deed or by the Act.

15. Application of proceeds**15.1 Order of application**

Subject to any claims having priority to this Security all money recovered by the Noteholder or any Receiver as a result of the enforcement of this Deed or otherwise by reason of this Security will be applied in the following order:

- (a) in payment of all costs, fees, taxes and expenses incurred by the Noteholder or any Receiver in or pursuant to the exercise of the powers set out in this Deed and all other outgoings properly payable by any Receiver;
- (b) in payment of remuneration to any Receiver;
- (c) in or towards payment of the Secured Obligations; and
- (d) the balance (if any) will be applied as required by law.

The Noteholder may at any time vary such order in its absolute discretion.

15.2 Contingent or future liabilities

If any money is received by the Noteholder or a Receiver as a result of the enforcement of or otherwise by reason of this Security at a time when the Secured Obligations include contingent or future liabilities the Noteholder or any Receiver may hold some or all of such money in an interest bearing suspense account.

16. Expenses and payments**16.1 Enforcement and preservation costs**

All costs and expenses (including legal fees), charges and liabilities incurred in connection with the negotiation, preparation, printing, execution, registration and perfection, enforcement of, or the preservation of any rights under, this Deed by the Noteholder or any Receiver shall be paid by the Chargor to the Noteholder in accordance with the provisions of Clause 17.1 of the Instrument.

16.2 Indemnity

The Chargor shall indemnify the Noteholder and any Receiver upon demand against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way which may at any time be incurred by any of them in connection with this Deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this Deed.

16.3 Stamp taxes

The Chargor shall pay and, within three Business Days of demand, indemnify and/or secure the Noteholder and any Receiver against any cost, loss or liability the Noteholder or Receiver incurs in relation to all stamp duty, stamp duty land tax, registration and other similar taxes payable in respect of or in connection with the entry into, performance or enforcement against the Chargor of this Deed.

16.4 VAT

Where this Deed requires the Chargor to reimburse or indemnify and/or secure the Noteholder or any Receiver for any costs or expenses the Chargor shall at the same time pay and indemnify and/or secure the Noteholder or any Receiver against all VAT incurred by the Noteholder or any Receiver in respect of the costs and expenses to the extent that the Noteholder or any Receiver determines that it is not entitled to credit or repayment of the VAT. All amounts payable by the Chargor under this Deed are exclusive of VAT. The Chargor will, in addition, pay any applicable VAT on those amounts.

17. Delegation of powers by Noteholder or Receiver**17.1 Delegation**

The Noteholder and (to the fullest extent permitted by law) any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any conditions or regulations which the Noteholder or Receiver (as the case may be) may think fit.

17.2 No liability for delegates

Neither the Noteholder nor any Receiver will 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 such delegate or sub-delegate.

17.3 Construction of this Deed

References in this Deed to the Noteholder or a Receiver shall be deemed to include references to any delegate of the Noteholder or Receiver appointed in accordance with this Clause 17.

18. Further assurance

When required by the Noteholder or any Receiver the Chargor shall, at its own cost:

- (a) execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Chargor and such legal mortgage, assignment or charge shall secure the Secured Obligations and contain a power of sale which arises immediately upon execution, provisions excluding section 93 of the Act and the

restrictions contained in section 103 of the Act and such other provisions including any similar to those in this Deed as the Noteholder may reasonably require;

- (b) execute any documents or do any other thing which the Noteholder or any Receiver may require for perfecting or protecting any Security created or intended to be created by this Deed or in connection with the exercise of any rights, powers or discretions given to the Noteholder or any Receiver under this Deed; and
- (c) convey, transfer, assign or otherwise deal with any Security Assets in such manner as the Noteholder or any Receiver may require in connection with any enforcement of any of this Security.

19. Power of attorney

19.1 Grant of power of attorney

The Chargor, by way of security, irrevocably and severally appoints the Noteholder and each Receiver to be its attorney in its name and on its behalf to take any action which the Chargor is or may be obliged to take under or pursuant to this Deed or which the Noteholder or any Receiver in its or his sole and absolute discretion considers to be requisite, expedient or appropriate in order to carry any sale, lease or other disposal into effect, or to execute any deed, document or instrument, or to convey or transfer any legal estate or other interest in any asset, or to get in the Security Assets, or generally to enable the Noteholder or a Receiver to exercise the respective rights, powers and discretions conferred on them by or pursuant to this Deed or by law.

19.2 Ratification

The Chargor agrees to ratify and confirm whatever any such attorney shall do, or attempt to do, in the exercise or purported exercise of the power of attorney granted under this Clause 19.

19.3 Appropriation

The power of attorney conferred on the Noteholder and each Receiver shall continue notwithstanding the exercise by the Noteholder of any right of appropriation pursuant to Clause 11.1 (*Noteholders' powers*).

20. Non-release provisions

20.1 Waiver of defences

The obligations and liabilities of the Chargor under this Deed and this Security will not be affected by an act, omission or thing (whether or not known to it or the Noteholder) which, but for this Clause, would reduce, release or prejudice any of such obligations and liabilities or Security including:

- (a) any time, waiver or consent granted to, or composition with, the Chargor or other person;
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over property of, any other person;

- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (f) any amalgamation, merger or reconstruction of the Noteholder with any other person or any sale or transfer of the whole or any part of the assets of the Noteholder to any other person;
- (g) the existence of any claim, set-off or other rights which any other person may have at any time against the Noteholder, whether in connection with the Notes Documents or otherwise;
- (h) any novation, amendment (however fundamental) or replacement of a Notes Document or any other document or Security;
- (i) any obligation of any person under any Notes Document or any other document or Security being void, voidable, invalid, unenforceable or otherwise irrecoverable; or
- (j) any insolvency or similar proceedings.

20.2 Immediate recourse

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

20.3 Appropriations

During the Security Period the Noteholder may:

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or, subject to Clause 15 (*Application of proceeds*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor for or on account of the Secured Obligations.

21. Release and recourse

21.1 Release of Security Assets

Upon the expiry of the Security Period (but not otherwise), the Noteholder shall, at the request and cost of the Chargor:

- (a) take whatever action is necessary to release the Security Assets from, and/or to cancel, this Security; and
- (b) reassign or procure the reassignment to the Chargor of the assets assigned by it to the Noteholder pursuant to this Deed,

in each case subject to Clause 21.2 (*Releases conditional*) and without recourse to, or any representation or warranty by, the Noteholder or any of its nominees.

21.2 Releases conditional

Any settlement, release or discharge under this Deed between the Noteholder and the Chargor will be conditional upon no security or payment to the Noteholder by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, winding-up, administration or insolvency for the time being in force, and if such condition is not satisfied, the Noteholder will be entitled to recover from the Chargor on demand the value of such security or the amount of any such payment as if such settlement, release or discharge had not occurred and/or to enforce this Security to the full extent of the Secured Obligations. The Noteholder may concede or compromise any claim that any payment, security or disposition is liable to avoidance, refund or reduction.

22. Benefit of this Deed

22.1 Assignment by the Noteholder

- (a) The Noteholder may at any time assign or transfer all or any part of its rights, and/or obligations under this Deed without the consent of the Chargor to any successor appointed in accordance with the Notes Documents.
- (b) The Chargor:
 - (i) agrees to enter into any documents specified by the Noteholder to be necessary or desirable to give effect to such assignment or transfer; and
 - (ii) authorises the Noteholder to execute on its behalf any such document the Noteholder considers necessary or desirable in relation to the creation, perfection or maintenance of this Security and any assignment or transfer contemplated by such provisions.

22.2 No assignment by the Chargor

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

22.3 Disclosure of information

The Noteholder may disclose to:

- (a) any person to (or through) whom it assigns or transfers (or may potentially assign or transfer) this Security or all or any of its rights and obligations under this Deed;
- (b) any Receiver or proposed replacement or additional Receiver;
- (c) any person with (or through) whom it enters into (or may potentially enter into) any arrangement in relation to, or any other transaction under which payments are to be made by reference to, the Secured Obligations; or
- (d) any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Chargor and this Deed as the Noteholder shall consider appropriate.

22.4 Change in name or constitution

This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of any party or any merger, amalgamation or consolidation of such party with any other corporation or any reconstruction or reorganisation of any kind.

23. Notices

23.1 Communications in writing

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

23.2 Addresses

- (a) The initial administrative details of the Noteholder for any notice, communication or document to be made or delivered under or in connection with this Deed are contained in the Instrument but the Noteholder may amend its own details in accordance with such document.
- (b) The initial administrative details of the Chargor for any notice, communication or document to be made or delivered under or in connection with this Deed are as follows:

Attention: Stewart Renfrew (High Street Group plc)

Address: 5 Osborne Terrace, Jesmond, Newcastle upon Tyne NE2 1SQ

Fax: 0191 281 8069

Email: info@mincoffs.co.uk

23.3 Delivery

Any communication or document made or delivered by the Noteholder to the Chargor under or in connection with this Deed will only be effective:

- (a) if by way of fax, when transmitted, where the original fax transmission report shows that the transmission has been successful and that the recipient number had been dialled correctly; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
- (c) if by email, when a delivery receipt or other confirmation report is received from the recipient's server and the original transmission has been properly addressed.

23.4 English language

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

24. Miscellaneous**24.1 Continuing security**

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

24.2 Additional Security

This Security is in addition to and is not in any way prejudiced by any bill, note, guarantee, indemnity or other Security now or subsequently held by the Noteholder for any of the Secured Obligations.

24.3 New accounts

If the Noteholder receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security or other interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, or this Security for any reason ceases to be a continuing security in respect of the Chargor, the Noteholder may open a new account for the Chargor. If the Noteholder does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to the Noteholder will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

24.4 No deduction or withholding

All payments made by the Chargor to the Noteholder under this Deed shall (save insofar as required by law to the contrary) be paid in full without set-off or counterclaim and free and clear of and without any deduction or withholding or payment for or on account of any present or future tax, levy, duty, impost or other charge or withholding of a similar nature. If the Chargor shall be required by law to effect any such deduction or withholding or payment the Chargor shall immediately pay to the Noteholder such additional amount as will result in the immediate receipt by the Noteholder of the full amount which would otherwise have been received had no such deduction or withholding or payment been made.

24.5 Set-off

The Noteholder may set off any matured obligation owed by the Chargor to the Noteholder against any obligation (whether or not matured) owed by the Noteholder to the Chargor regardless of the place of payment, or currency of either obligation. If the obligations are in different currencies, the Noteholder may convert either obligation at a market rate of exchange for the purpose of the set-off in an amount estimated by it in good faith to be the amount of that obligation.

24.6 Remedies

No failure to exercise, nor any delay in exercising, on the part of the Noteholder, any right or remedy under this Deed, shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

24.7 Waivers

A waiver given or consent granted by the Noteholder under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

24.8 Partial invalidity

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

24.9 Amendments

Any term of this Deed may be amended, varied or supplemented with the consent of the Noteholder and the Chargor and by an instrument in writing signed by the parties to this Deed and any such amendment, variation or supplement will be binding on the Noteholder and the Chargor.

24.10 Certificates and determinations

Any certification or determination by the Noteholder of a rate or amount under this Deed is, in the absence of manifest or proven error, conclusive evidence of the matters to which it relates.

24.11 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Noteholder are *prima facie* evidence of the matters to which they relate.

24.12 Currency

- (a) In this Clause, the "**Spot Rate**" means the Noteholder's spot rate of exchange for the purchase of any currency with any other currency in the London foreign exchange market.
- (b) The Noteholder may convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this Clause) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate.
- (c) If the Chargor fails to pay any sum under this Deed on the due date, the Noteholder may, without notice to the Chargor, purchase at the Spot Rate any currency which the Noteholder considers necessary or desirable to cover the liabilities of the Chargor to pay that sum.

24.13 Currency indemnity

- (a) If any sum due from the Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:
 - (i) making or filing a claim or proof against the Chargor; or

- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargor shall as an independent obligation, within three Business Days of demand, indemnify and/or secure the Noteholder against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between:

- (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency; and
 - (B) the rate or rates of exchange available to the Noteholder at the time of its receipt of that Sum.
- (b) The Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

24.14 Counterparts

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

25. Governing law

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

26. Enforcement

26.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Noteholder and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.
- (c) This Clause 26.1 is for the benefit of the Noteholder only. As a result, the Noteholder shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Noteholder may take concurrent proceedings in any number of jurisdictions.

26.2 Waiver of immunity

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by the Noteholder against the Chargor in relation to this Deed and any non-contractual obligations arising out of or in connection with it and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and

(c) waives all rights of immunity in respect of it or its assets.

EXECUTED as a deed and delivered by the Chargor and signed on behalf of the Noteholder on the date stated at the beginning of this document.

SIGNATORIES

The Chargor

EXECUTED as a **DEED** by **AC HOLDINGS (HSG) LIMITED**
acting by a director in the presence of:

Signature of director

Signature of witness

Steve Brown

Print name

Address

The Noteholder

EXECUTED as a **DEED** by **UBP PRIVATE DEBT FUND II DESIGNATED ACTIVITY COMPANY**, a company incorporated in Ireland, acting by two authorised signatories who, in accordance with the laws of that territory, are acting under the authority of the company:

.....
DocuSigned by: [Redacted Signature]

Signature of authorised signatory [Redacted Signature]

Signature of authorised signatory