



Registration of a Charge

Company Name: **FEATHERFOOT ASSET HOLDINGS 2 LIMITED**

Company Number: **13570883**



Received for filing in Electronic Format on the: **18/07/2023**

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Details of Charge

Date of creation: **14/07/2023**

Charge code: **1357 0883 0004**

Persons entitled: **MOUNT STREET MORTGAGE SERVICING LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **BRECHER LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13570883

Charge code: 1357 0883 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th July 2023 and created by FEATHERFOOT ASSET HOLDINGS 2 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th July 2023 .

Given at Companies House, Cardiff on 19th July 2023

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

DATED

14 July

2023

(1) FEATHERFOOT ASSET HOLDINGS 2 LIMITED

as Chargor

and

(2) MOUNT STREET MORTGAGE SERVICING LIMITED

as Security Agent

CHARGE OVER SHARES

and

ASSIGNMENT OF SUBORDINATED DEBT

INDEX

1.	DEFINITIONS AND INTERPRETATION.....	3
2.	COVENANT TO PAY.....	8
3.	GRANT OF SECURITY	9
4.	LIABILITY OF THE CHARGOR AND THE SECURITY AGENT'S PROTECTIONS	10
5.	REPRESENTATIONS AND WARRANTIES.....	11
6.	COVENANTS	13
7.	VOTING RIGHTS AND DIVIDENDS.....	18
8.	POWERS OF THE SECURITY AGENT	19
9.	WHEN SECURITY BECOMES ENFORCEABLE.....	20
10.	ENFORCEMENT OF SECURITY.....	21
11.	RECEIVER	23
12.	POWERS OF RECEIVER.....	24
13.	DELEGATION.....	25
14.	APPLICATION OF PROCEEDS.....	26
15.	COSTS AND INDEMNITY	26
16.	FURTHER ASSURANCE	27
17.	POWER OF ATTORNEY.....	28
18.	RELEASE	28
19.	ASSIGNMENT AND TRANSFER.....	28
20.	SET-OFF	28
21.	AMENDMENTS, WAIVERS AND CONSENTS.....	29
22.	SEVERANCE.....	29
23.	COUNTERPARTS	29
24.	THIRD PARTY RIGHTS	30
25.	FURTHER PROVISIONS.....	30
26.	NOTICES.....	30
27.	GOVERNING LAW AND JURISDICTION	32
28.	SECURITY AGENT PROVISIONS	32

THIS DEED is dated

14 July

2023

PARTIES

- (1) **FEATHERFOOT ASSET HOLDINGS 2 LIMITED** incorporated and registered in England and Wales with company number 13570883 whose registered office is at Empire House, 92-98 Cleveland Street, Doncaster, United Kingdom, DN1 3DP (the "**Chargor**"); and
- (2) **MOUNT STREET MORTGAGE SERVICING LIMITED** incorporated in England and Wales with company registration number 03411668, whose registered office at 10 Queen Street Place, London, United Kingdom, EC4R 1AG as security agent and trustee for itself and the Finance Parties (as defined below) (the "**Security Agent**").

BACKGROUND

- (A) The Lenders have agreed, pursuant to the Finance Documents, to provide the Chargor with loan facilities on a secured basis.
- (B) Under this deed, the Chargor provides security to the Security Agent for the facilities made available by the Lenders to it under the Finance Documents.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Facility Letter shall, unless otherwise defined in this deed, have the same meaning in this deed. In addition, the following definitions apply in this deed:

Business Day: a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London and Luxembourg.

Costs: all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.

Delegate: any person appointed by the Security Agent or any Receiver pursuant to clause 13, and any person appointed as attorney of the Security Agent, Receiver or Delegate.

Event of Default: has the meaning given to that term in the Facility Letter.

Facility Letter: the facility letter dated 21 October 2021 as amended and restated and acceded to on 5 November 2021, as further

amended on 1 April 2022 and made between, amongst others, the Chargor, the Lenders and the Security Agent as the same may be amended, varied or supplemented from time to time.

Finance Documents: has the meaning given to that term in the Facility Letter.

Finance Parties: has the meaning given to that term in the Facility Letter.

Financial Collateral: has the meaning given to that expression in the Financial Collateral Regulations.

Financial Collateral Regulations: the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226).

Investments: the Shares and all present and future certificated stocks, loan capital, securities, bonds and investments (whether or not marketable) in the Property Owner for the time being owned (at law or in equity) by the Chargor, including any:

- (i) dividend, interest or other distribution paid or payable in relation to the Shares or that stock, loan capital, security, bond or investment; and
- (ii) right, money, shares or property accruing, offered or issued at any time in relation to the Shares or that stock, loan capital, security, bond or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

Lender: has the meaning given to that term in the Facility Letter.

LPA 1925: the Law of Property Act 1925.

Property Owner: Featherfoot Newspaper House Limited, a company incorporated in England and Wales with registered number 12092266 and registered office at 92-98 Cleveland Street, Doncaster, United Kingdom, DN1 3DP.

Receiver: a receiver and/or receiver and manager appointed by the Security Agent under clause 11.

- Related Rights:** each and any of:
- (i) the proceeds of sale of any part of the Investments and/or the Subordinated Debt;
 - (ii) all warrants, options and other rights to (as applicable) subscribe for or otherwise acquire (whether pursuant to a right of pre-emption or otherwise) the Investments and/or the Subordinated Debt;
 - (iii) all rights, powers, offers, benefits, claims, contracts, warranties, remedies, Security Interests, guarantees, indemnities or covenants for title in respect of the Investments and/or the Subordinated Debt; and
 - (iv) all monies and proceeds paid or payable (including, without limitation and as applicable, any dividends or other distributions) in respect of the Investments and/or the Subordinated Debt.
- Rights:** any security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.
- Secured Assets:** the Investments, the Subordinated Debt, each Subordinated Agreement and any Related Rights (and references to the Secured Assets shall include references to any part of them).
- Secured Liabilities:** all present and future, obligations and liabilities of any Transaction Obligor to the Finance Parties, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity (including, without limitation, Costs and default interest accruing in respect of those obligations and liabilities).
- Security Financial Collateral Arrangement:** has the meaning given to the expression in the Financial Collateral Regulations.
- Security:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or

other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Security Period: the period starting on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

Shares: all of the shares in the share capital of the Property Owner.

Subordinated Agreement: any agreement or other document (including any entry by way of intra company account) evidencing the terms of any Subordinated Debt from time to time.

Subordinated Debt: the aggregate of all monies and liabilities of whatever nature (whether actual or contingent, as principal or surety) which are now or may at any future time be outstanding or otherwise due from any Transaction Obligor (as borrower/debtor) to the Chargor (as lender/creditor) on any account or in any manner.

Subordination Period: the period beginning on the date of this deed and ending on the date upon which the Security Agent confirms in writing that the whole of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and that all facilities which might give rise to any Secured Liabilities have been cancelled or terminated.

Transaction Obligor: has the meaning given to that term in the Facility Letter.

1.2 Interpretation

In this Deed:

- (a) unless the context otherwise requires, definitions used in the Facility Letter shall apply in this Deed;
- (b) clause and Schedule headings shall not affect the interpretation of this Deed;
- (c) a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture unless the context otherwise requires or consortium (whether or not having separate legal personality) and that person's personal representatives,

successors, permitted assigns and permitted transferees;

- (d) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (e) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (f) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (g) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (h) a reference to a statute or statutory provision shall include all subordinate legislation made under that statute or statutory provision;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) a reference to this Deed (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time;
- (k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed;
- (l) any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an amendment includes a novation, re-enactment, supplement or variation (and amend and amended shall be construed accordingly);
- (n) a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to continuing in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- (q) a reference to determines or determined means, unless the contrary is

indicated, a determination made at the absolute discretion of the person making it; and

- (r) a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

- 1.3 If the Security Agent considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.4 If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).
- 1.5 The schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the schedules.
- 1.6 The parties to this Deed intend it to take effect as a deed notwithstanding that a party may have executed it under hand only.
- 1.7 The Security Agent holds the benefit of this Deed and the security created thereunder on trust for the Finance Parties pursuant to the terms of the Facility Letter.

2. COVENANT TO PAY

- 2.1 The Chargor shall, on demand, pay to the Security Agent and discharge the Secured Liabilities.
- 2.2 It is expressly agreed and understood that:
 - (a) the sole recourse of the Security Agent to the Chargor under this Deed is to the Chargor's interest in the Secured Assets; and
 - (b) the liability of the Chargor to the Security Agent pursuant to or otherwise in connection with this Deed shall be:
 - (i) limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to the Secured Assets; and
 - (ii) satisfied only from the proceeds of sale or other disposal or realisation of the Secured Assets pursuant to this Deed.

3. GRANT OF SECURITY

3.1 Fixed charge

As continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges in favour of the Security Agent by way of a first fixed charge each of the following:

- (a) all its interest in the Investments (including all rights of enforcement of the same);
- (b) all its interest in the Subordinated Debt (including all rights of enforcement of the same); and
- (c) all Related Rights.

3.2 Assignment

As continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns absolutely subject to the provisions of Clause 18 (*Release*) to the Security Agent all of its rights and interests (including all rights of enforcement of the same) under each Subordinated Agreement.

3.3 Notice of Assignment

- (a) The Chargor shall immediately upon the execution of this Deed give notice substantially in the form set out in Part 1 of Schedule 2 (*Form of notice to counterparties in respect of Subordinated Agreement*) to each Transaction Obligor and any counterparty to any Subordinated Agreement of the assignment pursuant to Clause 3.2 of its interest in each Subordinated Agreement and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Part 2 of Schedule 2 (*Form of acknowledgement from counterparties in respect of Subordinated Agreement*).
- (b) The Chargor shall within three (3) Business Days of the entry into any Subordinated Agreement not in existence as at the date of this Deed give notice substantially in the form set out in Part 1 of Schedule 2 (*Form of notice to counterparties in respect of Subordinated Agreement*) to each Transaction Obligor and any counterparty to each Subordinated Agreement of the assignment pursuant to Clause 3.2 of its interest in the applicable Subordinated Agreement and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Part 2 of Schedule 2 (*Form of acknowledgement from counterparties in respect of Subordinated Agreement*).

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

4.1 Liability not discharged

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

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Security Agent may now or after the date of this Deed have from or against the Chargor and any Transaction Obligor or any other person in connection with the Secured Liabilities;
- (c) any act or omission by the Security Agent or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Chargor or any other Transaction Obligor or person;
- (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities;
- (e) any grant of time, indulgence, waiver or concession to any Transaction Obligor, the Chargor or any other person;
- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of any Transaction Obligor, the Chargor or any other person;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from any Transaction Obligor, the Chargor or any other person in connection with the Secured Liabilities;
- (h) any claim or enforcement of payment from any Transaction Obligor, the Chargor or any other person; or
- (i) any other act or omission which, but for this Clause 4.1, might have discharged or otherwise prejudiced or affected the liability of the Chargor.

4.2 Immediate recourse

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

- (a) to take any action or obtain judgment in any court against any Transaction Obligor or any other person;

- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any Transaction Obligor or any other person; or
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against any Transaction Obligor or any other person,

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

4.3 Non-competition

The Chargor warrants to the Security Agent that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against any Transaction Obligor, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Chargor under this Deed but:

- (a) if any of the Rights is taken, exercised or received by the Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Chargor on trust for the Security Agent for application in or towards the discharge of the Secured Liabilities under this Deed; and
- (b) on demand by the Security Agent, the Chargor shall promptly transfer, assign or pay to the Security Agent all other Rights and all monies from time to time held on trust by the Chargor under this clause 4.3.

5. REPRESENTATIONS AND WARRANTIES

The Chargor makes the representations and warranties set out in this clause 5 to the Security Agent on the date of this Deed and the representations and warranties set out below are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

5.1 The Chargor:

- (a) is a duly incorporated limited liability company validly existing under the law of England and Wales; and
- (b) has the power to own its assets and carry on its business as it is being conducted.

5.2 The Chargor has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this Deed and the transactions contemplated by it and no limit on its powers will be exceeded as a result of its entry into this Deed.

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

- (a) the Chargor's constitutional documents;

- (b) any agreement or instrument binding on the Chargor or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
 - (c) any law or regulation or judicial or official order applicable to it.
- 5.4 The Chargor has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this Deed any such authorisations are in full force and effect.
- 5.5 The Chargor's obligations under this Deed are legal, valid, binding and enforceable.
- 5.6 This Deed creates:
 - (a) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
 - (b) subject to registration under the Companies Act 2006 perfected Security over the assets referred to in this Deed,

in favour of the Security Agent, having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.
- 5.7 Under the law of its jurisdiction of incorporation, is not necessary to file, record or enrol this Deed (other than as provided in clause 5.6) with any court or other authority in that jurisdiction or pay any stamp, registration or similar taxes in relation to this Deed or any transaction contemplated by it.
- 5.8 No litigation, arbitration, bankruptcy or administrative proceedings are taking place, pending or, to the Chargor's knowledge, threatened against it, any of its directors or any of the Secured Assets.
- 5.9 The Shares are fully paid and are not subject to any option to purchase or similar rights.
- 5.10 The Shares represent the whole of the issued share capital of the Property Owner and no person has any option, warrant or other similar right to subscribe for any shares of the Property Owner.
- 5.11 The Chargor is the sole legal and beneficial owner of the Shares.
- 5.12 The constitutional documents of the Property Owner do not:
 - (a) restrict or inhibit any transfer of the Shares on creation or enforcement of the security constituted by this Deed; or
 - (b) contain any rights of pre-emption.

- 5.13 The Chargor has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- 5.14 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 all or any of the Shares.
- 5.15 The Chargor is the sole legal and beneficial owner of the Subordinated Debt.
- 5.16 No payments to the Chargor by any other party to a Subordinated Agreement are subject to any right of set-off or similar right.
- 5.17 The obligations expressed to be assumed by the Chargor in each Subordinated Agreement are legal, valid, binding and enforceable obligations.
- 5.18 Neither the Chargor nor (so far as it is aware) any other party to a Subordinated Agreement is in default of any of its material obligations under that Subordinated Agreement.
- 5.19 There is no prohibition on assignment, or other restriction on the creation of security by the Chargor, in respect of any of the Subordinated Debt or its rights under any Subordinated Agreement.
- 5.20 The Secured Assets are free from any Security other than the Security created by this Deed.
- 5.21 The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.
- 5.22 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever, that materially and adversely affect the Secured Assets.
- 5.23 There is no breach of any law or regulation which materially and adversely affects the Secured Assets.
- 5.24 No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

6. COVENANTS

- 6.1 The Chargor shall promptly obtain all consents and authorisations under any law or regulation (and do all that is needed to maintain them in full force and effect) to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability and admissibility in evidence of the Finance Documents in its jurisdiction of incorporation.
- 6.2 The Chargor shall comply in all respects with all relevant laws to which it may be subject if failure to do so would materially impair its ability to perform its obligations

under the Finance Documents.

- 6.3 The Chargor shall not make any substantial change to the general nature or scope of its business as carried on at the date of this Deed.
- 6.4 The Chargor shall not at any time, except with the prior written consent of the Security Agent:
- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this Deed; or
 - (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Secured Assets.
- 6.5 The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Agent, or diminish the value of any of the Secured Assets or the effectiveness of the Security created by this Deed.
- 6.6 The Chargor shall comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of them or any part of them.
- 6.7 The Chargor shall use its best endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Security Agent may require from time to time.
- 6.8 The Chargor shall, promptly on becoming aware of any of the same, notify the Security Agent in writing of:
- (a) any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
 - (b) any breach of any covenant set out in this Deed.
- 6.9 The Chargor shall on the execution of this Deed, deposit with the Security Agent, or as the Security Agent may direct:
- (a) all share certificates and other documents of title or evidence of ownership of the Secured Assets;
 - (b) all stock transfer forms relating to the Secured Assets duly completed and executed by or on behalf of the Chargor but with the name of the transferee, the consideration and the date left blank; and
 - (c) any other documents (in each case duly completed and executed by or on behalf of the Chargor) that the Security Agent may request to enable it, or any of their nominees, or any purchaser or transferee, to be registered as the

owner of, or otherwise obtain legal title to, or to perfect its security interest in any of the Secured Assets,

so that the Security Agent may, at any time and without notice to the Chargor, complete and present those stock transfer forms and other documents for registration.

6.10 The Chargor shall immediately terminate all nominations it may have made in respect of any Secured Asset and, pending such termination, procure that any person so nominated:

- (a) does not exercise any rights in respect of any Secured Asset without the prior written approval of the Security Agent; and
- (b) immediately upon receipt by it, forward to the Security Agent all communications or other information received by it in respect of any Secured Asset for which it has been so nominated.

6.11 The Chargor shall not at any time during the Security Period exercise the right to nominate any person other than the Security Agent to enjoy or exercise any right relating to any of the Secured Assets.

6.12 The Chargor shall:

- (a) obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of the Property Owner, for the transfer of the Investments to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and
- (b) procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of the Property Owner in any manner that the Security Agent may require in order to permit the transfer of the Investments to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.

6.13 Notwithstanding the security created by this Deed:

- (a) the Chargor shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any part of the Investments;
- (b) if the Chargor fails to do so, the Security Agent may, at its discretion but without obligation, pay the calls, instalments or other payments on behalf of the Chargor;
- (c) the Chargor shall, immediately on request by the Security Agent, reimburse

the Security Agent for any payment made by it under this clause 6.13; and

- (d) the Chargor shall comply with, and shall remain liable to perform, all of the other conditions and obligations assumed by it in respect of all or any part of the Investments.

6.14 The Chargor shall not take, or allow the taking of, any action on its behalf which may result in the rights attaching to, or conferred by, all or any of the Secured Assets being altered.

6.15 The Chargor shall not cause or permit:

- (a) any of the Investments to be consolidated, sub-divided or converted; or
- (b) any further shares in the share capital of the Property Owner to be issued.

6.16 The Chargor shall promptly send a copy to the Security Agent of, and comply with, all requests for information which is within their knowledge and which are made under any law or regulation or any similar provision in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Secured Assets. If they fail to do so, the Security Agent may elect to provide such information as they may have on behalf of the Chargor.

6.17 The Chargor shall duly and promptly perform its obligations under each Subordinated Agreement.

6.18 The Chargor shall:

- (a) promptly following receipt, send to the Security Agent copies of any notice, circular, report, accounts and any other document received by it that relates to the Secured Assets; and
- (b) promptly notify the Security Agent in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Agent's prior approval, implement those proposals at its own expense.

6.19 After the Security created by this Deed has become enforceable, the Security Agent may exercise, without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor, the Chargor's rights under each Subordinated Agreement.

6.20 The Chargor hereby confirms that the Subordinated Debt is subordinated to the

Secured Liabilities in all respects.

6.21 The Chargor covenants that, at all times during the Subordination Period, it will not:

- (a) demand, sue, claim, prove for, accept or receive payment, prepayment or repayment of, or any distribution in respect or on account of, any of the Subordinated Debt in cash or in kind and whether on account of principal, interest or, damages for breach of the terms of the Subordinated Debt;
- (b) discharge, release or reduce any of the Subordinated Debt by set-off, netting, any right of combination of accounts or in any other manner;
- (c) amend, vary, waive or release any term of any of the Subordinated Agreements;
- (d) enter into any arrangement under which the Chargor is not to enforce a Transaction Obligor's obligations in relation to the Subordinated Debt;
- (e) enter into an arrangement for its benefit where the value provided by a Transaction Obligor exceeds the value received by a Transaction Obligor;
- (f) receive credit from a Transaction Obligor, or permit a Transaction Obligor to grant any guarantee or Security in respect of any of the Chargor's liabilities;
- (g) receive any kind of distribution of a Transaction Obligor's assets, whether in cash, shares or otherwise;
- (h) take or omit to take any action whereby the subordination of the Subordinated Debt under this Deed might be terminated, impaired or adversely affected;
- (i) make any application or take any step (including presentation of a petition, convening a meeting or passing a resolution) or otherwise give support for the insolvency or re-organisation of a Transaction Obligor (unless otherwise instructed by the Security Agent (and where the Security Agent so instructs the Chargor shall act on those instructions)); or
- (j) register or attempt to register any interest or restriction in respect of the Property whether referable to any Subordinated Debt owed to it or otherwise,

and to the extent that the Chargor receives any amount on account of the Subordinated Debt during the Subordination Period it shall promptly notify the Security Agent and shall hold those proceeds on trust for the Security Agent and pay them to the Security Agent immediately upon demand.

6.22 The Chargor further covenants that, at all times during the Subordination Period, it will remain entitled to the Subordinated Debt legally and beneficially, free from any

Security (other than pursuant to this Deed), option, subordination or other rights in favour of any person, and will procure that the Subordinated Debt is not subject to any set-off, counterclaim or other defence.

7. VOTING RIGHTS AND DIVIDENDS

7.1 Before the security constituted by this Deed becomes enforceable, the Chargor may exercise all voting and other rights and powers in respect of the Secured Assets or, if any of the same are exercisable by the Security Agent or any of its nominees, direct in writing the exercise of those voting and other rights and powers provided that:

- (a) it shall not do so in any way that would breach any provision of the Finance Documents or this Deed or for any purpose inconsistent with the Finance Documents or this Deed; and
- (b) the exercise of, or failure to exercise, those voting rights or other rights and powers would not, in the Security Agent's opinion, have an adverse effect on the value of any of the Secured Assets or otherwise prejudice the Security Agent's security under this Deed.

7.2 Before the security constituted by this Deed becomes enforceable, the Chargor may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Secured Assets and, if any are paid or payable to the Security Agent or any of its nominees, the Security Agent will hold all those dividends, interest and other monies received by it for the Chargor and will pay them to the Chargor promptly on request.

7.3 The Chargor shall indemnify the Security Agent against any loss or liability incurred by the Security Agent (or its nominee) as a consequence of the Security Agent (or its nominee) acting in respect of the Secured Assets at the direction of the Chargor.

7.4 The Security Agent shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Secured Assets which the Security Agent considers prejudicial to, or impairing the value of, the security created by this Deed.

7.5 After the security constituted by this Deed has become enforceable, the Security Agent may at its discretion (in the name of the Chargor and without any further consent or authority from the Chargor and irrespective of any direction given by the Chargor):

- (a) exercise or refrain from exercising (or direct its nominee to exercise or refrain from exercising) all voting rights and any other powers or rights in respect of the Secured Assets, and the Chargor shall comply, or procure compliance, with any directions the Security Agent may give, in their absolute discretion, in

respect of the exercise of those voting and other rights and powers;

- (b) apply all dividends, interest or other monies paid or payable in respect of the Secured Assets in accordance with clause 14 and, if any such dividends, interest or other monies are received by or on behalf of the Chargor, the Chargor shall hold all such dividends, interest and other monies on trust for the Security Agent and shall immediately pay them to the Security Agent or as it may direct;
- (c) complete all instruments of transfer held by them in relation to the Secured Assets in favour of themselves or such other person as they may select and have the Secured Assets transferred into their name or the name of their nominee or, as applicable, into an account in their own name or the name of their nominee; and
- (d) in addition to any other power created under this Deed, exercise or refrain from exercising (or direct its nominee to exercise or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Secured Assets.

8. POWERS OF THE SECURITY AGENT

8.1 Power to Remedy

- (a) The Security Agent shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this Deed.
- (b) The Chargor irrevocably authorises the Security Agent and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Security Agent in remedying a breach by the Chargor of its obligations contained in this Deed, shall be reimbursed by the Chargor to the Security Agent on a full indemnity basis and shall carry interest in accordance with clause 15.1.

8.2 Exercise of Rights

- (a) The rights of the Security Agent under clause 8.1 are without prejudice to any other rights of the Security Agent under this Deed.
- (b) The exercise of any rights of the Security Agent under this Deed shall not make the Security Agent liable to account as a mortgagee in possession.

8.3 Security Agent has Receiver's Powers

To the extent permitted by law, any right, power or discretion conferred by this Deed

(either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Security Agent in relation to any of the Secured Assets whether or not they have taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

8.4 No Duties

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

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

8.5 Indulgence

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

9. WHEN SECURITY BECOMES ENFORCEABLE

9.1 The security constituted by this Deed shall become immediately enforceable in any of the circumstances set out below:

- (a) any of the Secured Liabilities shall not be paid or discharged when the same ought to be paid or discharged by the Chargor (whether on demand or at scheduled maturity or by acceleration or otherwise, as the case may be);
- (b) the Chargor shall be in breach of any of its obligations under this Deed or under any other agreement between the Borrower and/or the Property Owner and the Security Agent and that breach (if capable of remedy) has not been remedied to the satisfaction of the Security Agent within 14 days of notice by the Security Agent to the Borrower and/or the Property Owner to remedy the breach;
- (c) the Borrower and/or the Property Owner and/or the Chargor:
 - (i) become unable to pay their debts as they fall due (and/or the value of the Borrower's and/or the Property Owner's and/or the Chargor's

assets is less than the amount of its liabilities, taking into account the Borrower's and/or the Property Owner's and/or the Chargor's contingent and prospective liabilities);

- (ii) commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness;
- (iii) makes a general assignment for the benefit of, or a composition with, its creditors;
- (d) the Borrower and/or the Property Owner and/or the Chargor passes any resolution or takes any corporate action or a petition is presented or proceedings are commenced or any action is taken by any person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues and assets;
- (e) a distress, execution, attachment or other legal process is levied or enforced upon or sued against all or any part of the assets of the Borrower and/or the Property Owner and/or the Chargor and remains undischarged for seven days;
- (f) any event occurs in relation to the Borrower and/or the Property Owner and/or the Chargor that is analogous to those set out in clause 9.1(c), clause 9.1(d) or clause 9.1(e);
- (g) any representation, warranty or statement made or deemed to be made by the Borrower and/or the Property Owner and/or the Chargor under this Deed is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;
- (h) an Event of Default occurs.

9.2 After the security constituted by this Deed has become enforceable, the Security Agent may (on the instructions of the Lenders), enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement Powers

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable

under clause 9.

- (c) Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this Deed.

10.2 Redemption of Prior Security

- (a) At any time after the security constituted by this Deed has become enforceable the Security Agent may:
 - (i) redeem any prior Security over any Secured Asset;
 - (ii) procure the transfer of that Security to itself; and
 - (iii) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargor).
- (b) The Chargor shall pay to the Security Agent immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Liabilities.

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Security Agent, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Security Agent, any Receiver or any Delegate is to be applied.

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

10.5 Neither the Security Agent nor any Receiver or any Finance Party or any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

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

10.7 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) this Deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement, the Security Agent shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment and discharge of the Secured Liabilities in any order that the Security Agent, in its absolute discretion, may from time to time determine. The value of any Secured Assets appropriated in accordance with this clause 10.7 shall be determined by any method that the Security Agent may select, including independent valuation. The Chargor agrees that the method of valuation provided for in this clause 10.7 is commercially reasonable for the purposes of the Financial Collateral Regulations.

11. RECEIVER

- 11.1 At any time after the security constituted by this Deed has become enforceable, or at the request of the Chargor, the Security Agent may, without further notice, appoint by way of Deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.
- 11.2 The Security Agent may, without further notice, from time to time, by way of Deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.
- 11.3 The Security Agent may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.
- 11.4 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.
- 11.5 The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Security Agent despite any prior appointment in respect of all or any part of the Secured Assets.
- 11.6 Any Receiver appointed by the Security Agent under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation (or similar process) and after that the Receiver

shall act as principal and shall not become the agent of the Security Agent.

12. POWERS OF RECEIVER

- 12.1 Any Receiver appointed by the Security Agent under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 12.5 to clause 12.18.
- 12.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- 12.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- 12.4 Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Chargor, the directors of the Chargor or himself.
- 12.5 A Receiver may provide services and employ, or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.
- 12.6 A Receiver may discharge any such person or any such person appointed by the Chargor.
- 12.7 A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Security Agent may prescribe or agree with it.
- 12.8 A Receiver may take immediate possession of, get in and realise any Secured Asset.
- 12.9 A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.
- 12.10 A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.
- 12.11 A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Chargor or relating in any way to any Secured Asset.

- 12.12 A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.
- 12.13 A Receiver may form a subsidiary of the Chargor and transfer to that subsidiary any Secured Asset.
- 12.14 A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Security Agent consents, terms under which that security ranks in priority to this Deed).
- 12.15 A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.
- 12.16 A Receiver may delegate its powers in accordance with this Deed.
- 12.17 A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.
- 12.18 A Receiver may do any other acts and things that it:
- (a) may consider desirable or necessary for realising any of the Secured Assets;
 - (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or
 - (c) lawfully may or can do as agent for the Chargor.

13. DELEGATION

- 13.1 The Security Agent or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 17.1).
- 13.2 The Security Agent and each Receiver may delegate on any terms and conditions (including the power to sub-delegate) that it thinks fit.
- 13.3 Neither the Security Agent nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

14. APPLICATION OF PROCEEDS

14.1 All monies received or recovered by the Security Agent, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Agent (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Security Agent determines; and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.

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

14.3 All monies received by the Security Agent, a Receiver or a Delegate under this Deed:

- (a) may, at the discretion of the Security Agent, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Security Agent and the Chargor; and
- (c) may be held in that account for so long as the Security Agent, Receiver or Delegate thinks fit.

15. COSTS AND INDEMNITY

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

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

- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

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

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

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
- (c) any default or delay by the Chargor in performing any of its obligations under this Deed.

- 15.3 Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

16. FURTHER ASSURANCE

The Chargor shall promptly, at its own expense, take whatever action the Security Agent or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security created or intended to be created by this Deed;
- (b) facilitating the realisation of any of the Secured Assets; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Security Agent or any Receiver in respect of any of the Secured Assets,

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

desirable.

17. POWER OF ATTORNEY

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

- (a) the Chargor is required to execute and do under this Deed; or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Agent, any Receiver or any Delegate.

17.2 The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

18. RELEASE

Subject to clause 25.3, at the end of the Security Period, the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release the Secured Assets from the security constituted by this Deed.

19. ASSIGNMENT AND TRANSFER

19.1 At any time, without the consent of the Chargor, the Security Agent may assign or transfer all or any of their rights and obligations under this Deed.

19.2 The Security Agent may disclose to any actual or proposed assignee or transferee any information in their possession that relates to the Chargor, the Secured Assets and this Deed that the Security Agent considers appropriate.

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

20. SET-OFF

20.1 Each Finance Party may at any time set off any liability of the Chargor to that Finance Party against any liability of that Finance Party to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, a Finance Party may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by a Finance Party of its rights under this clause 20 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

20.2 No Finance Party is obliged to exercise their rights under clause 20.1. If, however, they do exercise those rights they must promptly notify the Chargor of the set-off that has been made.

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

21. AMENDMENTS, WAIVERS AND CONSENTS

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

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

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

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

22. SEVERANCE

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

23. COUNTERPARTS

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

24. THIRD PARTY RIGHTS

- 24.1 Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- 24.2 The rights of the parties to rescind or agree any amendment or waiver under this Deed are not subject to the consent of any other person.

25. FURTHER PROVISIONS

- 25.1 This Deed shall be in addition to, and independent of, any other security or guarantee that the Security Agent may hold for any of the Secured Liabilities at any time. No prior security held by the Security Agent over the whole or any part of the Secured Assets shall merge in the security created by this Deed.
- 25.2 This Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Agent discharges this Deed in writing.
- 25.3 Any release, discharge or settlement between the Chargor and the Security Agent shall be deemed conditional on no payment or security received by the Security Agent in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding up, administration, receivership or otherwise. Despite any such release, discharge or settlement:
- (a) the Security Agent or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Agent deems necessary to provide the Security Agent with security against any such avoidance, reduction or order for refund; and
 - (b) the Security Agent may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.
- 25.4 A certificate or determination by the Security Agent as to any amount for the time being due to them from the Chargor shall be, in the absence of any manifest error, conclusive evidence of the amount due.
- 25.5 The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

26. NOTICES

- 26.1 Unless otherwise stated in this Deed, 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 email or letter and shall be irrevocable without the written consent of the party to whom it is delivered.

26.2 Any such notice may only be served:

- (a) personally by giving it to an individual who is party or to any director or the secretary of any company which is a party;
- (b) by leaving it at, or sending it by prepaid first class letter through the post to, the registered office of the party to be served; or
- (c) by email (in which case it shall be deemed to have been signed by or on behalf of the party giving it) to the email address set out below for the party to whom it is being sent or to such other address as either party shall notify the other in writing from time to time:

- (i) The Chargor – Featherfoot Asset Holdings 2 Limited

Attention: Paul Rothwell

Address: Empire House, 92-98 Cleveland Street, Doncaster DN1 3DP

Email: paul.rothwell@featherfoot.property

The Security Agent – Mount Street Mortgage Servicing Limited

Attention: John Delaney

Address: 100 Wood Street, London EC2V 7AN

Email: MSPS@mountstreetllp.com

26.3 Notices shall be deemed served as follows:

- a) in the case of personal service at the time of such service;
- b) in the case of leaving the notice at the relevant address, at the time of leaving it there;
- c) in the case of service by post, on the second Business Day following the day on which it was posted and in proving such service it shall be sufficient to prove that the notice was properly addressed, stamped and posted; and
- d) in the case of service by email, on the Business Day following the day on which it was transmitted and in proving such service it shall be sufficient to prove that the email address was correct and that there was no evidence that such transmission has been interrupted.

- 26.4 The Chargor shall be entitled to rely on any instruction or notice from Mount Street Mortgage Servicing Limited (as Loan Servicer under the Finance Documents and lawful agent of the Security Agent) in connection with this Deed as being made on behalf of the Security Agent, unless and until a notice from the Security Agent notifies the Chargor otherwise. Following receipt of such notice, the Chargor shall rely on any instruction or notice from the Security Agent in connection with this Deed.
- 26.5 None of the Security Agent, its nominee(s), the Loan Servicer or any Receiver shall be liable by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Secured Assets or (c) taking possession of or realising all or any part of the Secured Assets.

27. GOVERNING LAW AND JURISDICTION

- 27.1 This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 27.2 Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Agent to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.
- 27.3 The Chargor irrevocably consents to any process in any legal action or proceedings under clause 27.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

28. SECURITY AGENT PROVISIONS

- 28.1 The Security Agent executes this Deed in the exercise of the rights, powers and authority conferred and vested in it under the Facility Letter and any other Finance Document for and on behalf of the Finance Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Deed in the manner provided for in the Facility Letter and, in so acting, it shall have the protections, immunities, limitations of liability, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Letter and the other Finance Documents.
- 28.2 The Security Agent shall not owe any fiduciary duties to any party to this Deed or any of their directors, employees, agents or affiliates.
- 28.3 Notwithstanding any other provisions of this Deed, in acting under and in accordance

with this Deed the Security Agent is entitled to seek instructions from the relevant Finance Parties in accordance with the provisions of the Facility Letter and at any time, and where it so acts or refrains from acting on the instructions of a Finance Party or Finance Parties entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from acting.

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

Schedule
Form of notice to counterparties in respect of Subordinated Agreement

PART 1

From: Featherfoot Asset Holdings 2 Limited

To: [name of Property Owner/Transaction Obligor]

Date:

Dear Sirs,

We refer to the [describe relevant Subordinated Agreement] (the "**Agreement**")

We hereby notify you that pursuant to a share charge and assignment of subordinated debt dated [] (the "**Security Document**") we have assigned to Mount Street Mortgage Servicing Limited (the "**Security Agent**") (as trustee for the Finance Parties) absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to all our present and future rights, title and benefit in to and under the Agreement.

We further notify you that:

- (a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Security Agent;
- (b) subject to paragraph (a) above, you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent;
- (c) you are authorised to disclose information in relation to the Agreement to the Security Agent on request;
- (d) until you receive written notice to the contrary from the Security Agent, you should pay all monies to which we are entitled under the Agreement to us; and
- (e) the provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- (i) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

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

Yours faithfully,

For and on behalf of

Featherfoot Asset Holdings 2 Limited

PART 2

Form of acknowledgment from counterparties in respect of Subordinated Agreement

From: *[Name of Property Owner/ Transaction Obligor]*

To: Mount Street Mortgage Servicing Limited

Copy to: Featherfoot Asset Holdings 2 Limited

Date:

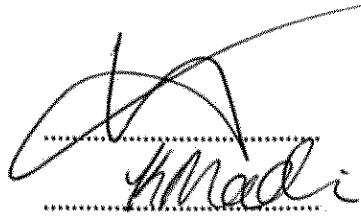
We hereby acknowledge receipt of the notice dated [], a copy of which is attached to the acknowledgment (the "**Notice**") and confirm the matters therein including the matters set out in paragraphs (i) and (ii) of the Notice.

For and on behalf of

[Name of Property Owner/ Transaction Obligor]

Chargor

Executed as a deed by
FEATHERFOOT ASSET HOLDINGS 2 LIMITED
acting by its director



.....
.....
.....

in the presence of

Name:

K. MADIN

Address:

50 RYE CROFT, DONCASTER, DN12 2BD

Occupation:

OFFICE MANAGER.

Security Agent

.....

For and on behalf of

MOUNT STREET MORTGAGE SERVICING LIMITED

Name (print name):

Title: Authorised Signatory

Chargor

Executed as a deed by
FEATHERFOOT ASSET HOLDINGS 2 LIMITED
acting by its director

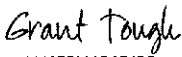
in the presence of

Name:

Address:

Occupation:

Security Agent

DocuSigned by:

.....
144975300D074BB...

For and on behalf of

MOUNT STREET MORTGAGE SERVICING LIMITED

Name (print name): Grant Tough

Title: Authorised Signatory