

MR01

Particulars of a charge

234273/13.



A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument Use form MR08

TUESDAY



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LD2

02/09/2014

#24

COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 0 0 0 4 9 1 1 6 ✓
Company name in full SUNDERLAND ASSOCIATION FOOTBALL CLUB, LIMITED (THE)

25 For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 7 m 0 m 8 y 2 y 0 y 1 y 4 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name SECURITY BENEFIT CORPORATION ✓

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

The freehold property being the Stadium of Light, Sunderland, SR5 1SU registered at the Land Registry with title number TY340536 ✓

and those assets listed in Schedule 2 of the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X Allen & Overy LLP X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name GTB/JJSH/TDS 0110744-0000002

Company name ALLEN & OVERY

Address ONE BISHOPS SQUARE

Post town LONDON

County/Region

Postcode E 1 6 A D

Country UK

DX

Telephone 020 3088 0000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 49116

Charge code: 0004 9116 0025

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th August 2014 and created by SUNDERLAND ASSOCIATION FOOTBALL CLUB, LIMITED (THE) was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd September 2014.

Q

Given at Companies House, Cardiff on 5th September 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

SECURITY AGREEMENT

DATED 27 AUGUST 2014

BETWEEN

SUNDERLAND ASSOCIATION FOOTBALL CLUB LIMITED

SUNDERLAND LIMITED

1879 EVENTS MANAGEMENT LIMITED

- and -

SECURITY BENEFIT CORPORATION

EXCEPT FOR MATERIAL REDACTED
PURSUANT TO SECTION 859G OF THE COMPANIES
ACT 2006 I CERTIFY THAT THIS IS A CORRECT
COPY OF THE ORIGINAL DOCUMENT
ALLEN & OVERY LLP

Allen & Overy LLP

ALLEN & OVERY

Allen & Overy LLP

0110744-0000002 BK 27785528 11

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THIS DEED is dated 27 August 2014 and made

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 as chargors (each a **Chargor**), and
- (2) **SECURITY BENEFIT CORPORATION** as agent and trustee for the Finance Parties (as defined in the Facilities Agreement defined below) (the **Facility Agent**)

BACKGROUND:

- (A) Each **Chargor** enters into this Deed in connection with the Facilities Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows.

1. INTERPRETATION

1.1 Definitions

In this Deed

Account Bank means, in relation to a Restricted Account, the bank with which the Restricted Account is maintained

Act means the Law of Property Act 1925.

Central Funds has the meaning given to that term in Rule E.24.1 of the League Rules.

Declared Default has the meaning given to that term in the Facilities Agreement.

Enforcement Event has the meaning given to that term in the Facilities Agreement.

FA means the Football Association Limited, a company incorporated in England and Wales with registered number 00077797.

FAPL means The Football Association Premier League Limited, a company incorporated in England and Wales with registered number 02719699

FAPL Receivables means SAFC's rights, title and interest in all amounts payable at any time to SAFC by the FAPL pursuant to any UK Broadcasting Contract, Overseas Broadcasting Contract, Commercial Contract, Radio Contract or Title Sponsorship Contract (as each such term is defined in the League Rules) which constitute Central Funds;

Facilities Agreement means the £85,000,000 facilities agreement dated on or about the date of this Deed between (among others) the **Chargors** and the **Facility Agent**.

Football Event of Insolvency means a Premier League Event of Insolvency and/or a Football League Insolvency Event.

Football League Insolvency Event has the meaning given to the term "Insolvency Event" in the League Rules

League Rules means the rules and regulations for the time being of the FAPL

Party means a party to this Deed

Premier League Event of Insolvency has the meaning given to the term "Event of Insolvency" in the League Rules

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed

Restricted Account means any account designated as such by the Company and the Facility Agent and includes

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Restricted Account is transferred, and
- (b) any account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes

SAFC means Sunderland Association Football Club Limited, a company incorporated in England and Wales with registered number 00049116

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Chargor to any Finance Party under each Finance Document to which a Chargor is a party, except for any obligation which, if it were so included, would result in this Deed contravening section 678 or 679 of the Companies Act 2006

Security Assets means all assets of each Chargor the subject of any security created by this Deed

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

1.2 Construction

- (a) Capitalised terms defined in the Facilities Agreement have, unless expressly defined in this Deed, the same meaning in this Deed
- (b) The provisions of clause 1.2 (Construction) of the Facilities Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Facilities Agreement will be construed as references to this Deed
- (c) (i) A **Finance Document** or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Finance Document or other agreement or instrument from time to time with the agreement of the relevant parties, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility,

- (ii) the term **this Security** means any security created by this Deed, and
- (iii) **assets** includes present and future properties, revenues and rights of every description
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period unless otherwise agreed with the Facility Agent in accordance with the terms of the Facilities Agreement
- (e) The terms of the other Finance Documents and of any side letters between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (f) If the Facility Agent reasonably considers that an amount paid to a Finance Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed
 - (i) is created in favour of the Facility Agent,
 - (ii) is created over present and future assets of each Chargor,
 - (iii) is security for the payment of all the Secured Liabilities, and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994
- (b) If the rights of a Chargor under a document cannot be secured by any of the fixed charges or assignments created under Clauses 2.2 (*Land*) to 2.9 (*Miscellaneous*) (inclusive) without the consent of a party to that document
 - (i) that Chargor must notify the Facility Agent promptly upon becoming aware of the relevant prohibition or restriction,
 - (ii) this Security will secure all amounts which that Chargor may receive, or has received, under that document but exclude the document itself, and
 - (iii) unless the Facility Agent otherwise requires, that Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed
- (c) The Facility Agent holds the benefit of this Deed on trust for the Finance Parties

2.2 Land

(a) Each Chargor charges

- (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it, this includes the real property (if any) specified in Schedule 2 (**Security Assets**) under its name under the heading **Real Property**, and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (i) above) by way of first fixed charge all estates or interests in any freehold or leasehold property

(b) A reference in this Clause to a mortgage or charge of any freehold or leasehold property includes

- (i) all buildings, fixtures, fittings and fixed plant and machinery on that property owned by the relevant Chargor, and
- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property to the extent held by such Chargor or any moneys paid or payable to such Chargor in respect of those covenants

2.3 Investments

(a) Each Chargor charges

- (i) by way of a first legal mortgage all shares in any member of the Group (other than itself) owned by it or held by any nominee on its behalf, this includes those shares (if any) specified in Schedule 2 (**Security Assets**) under its name with the heading **Shares**), and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (i) above) by way of a first fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf

(b) A reference in this Clause to a mortgage or charge of any stock, share, debenture, bond or other security includes

- (i) any dividend or interest paid or payable in relation to it, and
- (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise

2.4 Plant and machinery

Each Chargor charges by way of a first fixed charge all material plant and machinery owned by it and its interest in any material plant or machinery in its possession

2.5 Restricted credit balances

Each Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Restricted Account and the debt represented by it

2.6 Insurances

Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest other than any policy taken out by it for the benefit of third parties

2.7 Other contracts

(a) Subject to paragraph (b) below, each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of

- (i) the agreements (if any) specified in Schedule 2 (Security Assets) under its name under the heading **Relevant Contracts**,
- (ii) any FAPL Receivables,
- (iii) any receivables under or in connection with any loan(s) or advance(s) made to any member of the Group,
- (iv) any letter of credit issued in its favour, and
- (v) any bill of exchange or other negotiable instrument held by it

(b) Subject to paragraph (c) below, to the extent that any right of a Chargor described in paragraph (a) above

- (i) is not effectively assigned under paragraph (a) above, or
- (ii) may not be the subject of the assignment by that Chargor under paragraph (a) above without breaching a prohibition or restriction on assignment contained in the contract under which such right arises,

such right is not assigned under paragraph (a) above and that Chargor charges by way of a first fixed charge such right except to the extent that such right is subject to a first legal mortgage or first fixed charge created under any other subclause of this Clause 2 (Creation of Security)

(c) To the extent that any right of SAFC described in paragraph (a) above may not be the subject of the assignment under paragraph (a) above or the charge under paragraph (b) above without breaching a prohibition or restriction on assignment and/or charging contained in the contract under which such right arises, such right is not charged or assigned under paragraphs (a) or (b) (as applicable) but, for the avoidance of doubt, is charged by way of first floating charge under subclause 2 10 (Floating charge)

2.8 Intellectual property

Each Chargor charges by way of a first fixed charge, all of its rights in respect of

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right, this includes the patents and trademarks (if any)

specified in Schedule 2 (Security Assets) under its name under the heading **Specific Intellectual Property Rights**, and

- (b) any interest (including by way of licence) in any of the above,
- in each case whether registered or not and including all applications for the same

2.9 Miscellaneous

Each Chargor charges by way of first fixed charge

- (a) its goodwill, and
- (b) its uncalled capital

2.10 Floating charge

- (a) Each Chargor charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause (other than the Letter of Credit Facility Cash Collateral Account)
- (b) Except as provided below, the Facility Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Clause into a fixed charge as regards any of that Chargor's assets specified in that notice, if
 - (i) a Declared Default has occurred and is continuing, or
 - (ii) the Facility Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy
- (c) The floating charge created by this Clause may not be converted into a fixed charge solely by reason of
 - (i) the obtaining of a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium,

under section 1A of the Insolvency Act 1986
- (d) The floating charge created by this Clause will automatically convert into a fixed charge over all of a Chargor's assets if an administrator is appointed or the Facility Agent receives notice of an intention to appoint an administrator, in each case over or in respect of that Chargor
- (e) The floating charge created by this Clause is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986

3. REPRESENTATIONS - GENERAL

3.1 Nature of security

Each Chargor represents and warrants to each Finance Party that this Deed creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise

3.2 Times for making representations

- (a) The representations and warranties set out in this Deed (including in this Clause) are made on the date of this Deed by reference to the facts and circumstances existing on the date of this Deed
- (b) Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be repeated by each Chargor on each date on which any of the representations and warranties set out in clause 18 (Representations) of the Facilities Agreement are repeated by reference to the facts and circumstances then existing

4. RESTRICTIONS ON DEALINGS

No Chargor may

- (a) create or permit to subsist any Security Interest on any Security Asset, or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset,

except as expressly allowed under the Finance Documents

5. LAND

5.1 General

In this Clause

Fixtures means all material fixtures and fittings and fixed plant and machinery on the Mortgaged Property

Insured Property Assets means the Premises and all a Chargor's other assets of an insurable nature in the Premises

Mortgaged Property means all freehold or leasehold property included in the definition of **Security Assets**

Premises means all buildings and erections included in the definition of **Security Assets**

5.2 Information for Report on Title

Each Chargor represents to the Facility Agent that

- (a) the information provided to Macfarlanes LLP in relation to the preparation of the Legal Due Diligence Report relating to any of its Mortgaged Property for the purpose of the Legal Due Diligence Report was true in all material respects at the date it was expressed to be given,
- (b) the information referred to in paragraph (a) above was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading in any material respect, and
- (c) as at the date of this Deed, nothing has occurred since the date of any information referred to in paragraph (a) above which renders that information untrue or

misleading in any material respect and which, if disclosed, would make that information untrue or misleading in any material respect

5.3 Title

Each Chargor represents to the Facility Agent that except as disclosed in the Legal Due Diligence Report relating to any of its Mortgaged Property

- (a) it is the legal and beneficial owner of its Mortgaged Property,
- (b) no breach of any law or regulation is outstanding which affects or might affect materially the value of its Mortgaged Property,
- (c) there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters affecting its Mortgaged Property in any material respect,
- (d) nothing material has arisen or has been created or is subsisting which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over its Mortgaged Property,
- (e) no facilities necessary for the enjoyment and use of its Mortgaged Property are enjoyed by that Mortgaged Property on terms entitling any person to terminate or curtail its use,
- (f) it has received no notice of any adverse claims by any person in respect of the ownership of its Mortgaged Property or any interest in it, nor has any acknowledgement been given to any person in respect of its Mortgaged Property, and
- (g) its Mortgaged Property is held by it free from any Security Interest or any tenancies or licences.

5.4 Repair

Each Chargor must during the Security Period keep its Premises in good and substantial repair and condition and its Fixtures and all plant, machinery, implements and other effects owned by it and which are in or on its Premises or elsewhere in a good state of repair and in good working order and condition

5.5 Insurance

- (a) All moneys received under any insurance in respect of the Insured Property Assets must be applied
 - (i) in replacing, restoring or reinstating the Insured Property Assets destroyed or damaged, or
 - (ii) at any time a Declared Default has occurred and is continuing, if the Facility Agent so directs and the terms of the relevant insurances allow, in or towards satisfaction of the Secured Liabilities
- (b) Each Chargor must procure that a note of the Facility Agent's interest is endorsed upon all policies of insurance maintained by that Chargor or any person on its behalf in respect of the Insured Property Assets

- (c) No Chargor may do or permit anything to be done which may make void or voidable any policy of insurance in connection with any Insured Property Asset
- (d) Each Chargor must promptly pay all premiums and do all other things necessary to keep each policy of insurance in respect of its Insured Property Assets in force
- (e) Each Chargor must, within 5 Business Days of demand by the Facility Agent, produce to the Facility Agent a copy of the policy, certificate or cover note relating to any insurance policy and the receipt for the payment of any premium for any insurance policy as the Facility Agent may request

5.6 Compliance with leases

Each Chargor must during the Security Period

- (a) perform all the terms on its part contained in any lease comprised in the Mortgaged Property, and
- (b) not do or allow to be done any act as a result of which any lease comprised in its Mortgaged Property may become liable to forfeiture or otherwise be terminated (other than termination at the option of or with the consent of the relevant Chargor at any time no Event of Default is continuing)

5.7 Acquisitions

- (a) If a Chargor acquires any freehold or leasehold property during the Security Period after the date of this Deed it must
 - (i) promptly notify the Facility Agent,
 - (ii) promptly on request by the Facility Agent and at the cost of that Chargor, execute and deliver to the Facility Agent a legal mortgage in favour of the Facility Agent of that property in any form which the Facility Agent may require (acting reasonably) and substantially on the relevant terms of this Deed),
 - (iii) if the title to that freehold or leasehold property is registered at H M Land Registry or required to be so registered, give H M Land Registry written notice of this Security, and
 - (iv) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at H M Land Registry
- (b) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent That Chargor must use its reasonable endeavours to obtain the landlord's consent

5.8 Notices

Each Chargor must, within 14 days after the receipt by it of any material application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged Property (or any part of it)

- (a) deliver a copy to the Facility Agent, and
- (b) inform the Facility Agent of the steps taken or proposed to be taken to comply with the relevant requirement

5.9 Leases

- (a) No Chargor may, during the Security Period, other than a Permitted Disposal, grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property without the prior consent of the Facility Agent (acting reasonably)
- (b) Paragraph (a) above does not apply to the granting of any short term lease, tenancy or hire of the Mortgaged Property for the purposes of hosting concerts, shows or similar public entertainment events or attractions

5.10 H.M. Land Registry

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at H M Land Registry.

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [] in favour of [] referred to in the charges register or their conveyancer (Standard Form P)"

5.11 Deposit of title deeds

Each Chargor must deposit with the Facility Agent all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf

5.12 Access

At any time when an Event of Default is continuing, each Chargor must permit the Facility Agent and any person nominated by it at all reasonable times to enter any part of its Mortgaged Property and view the state of it

5.13 Investigation of title

At any time when an Event of Default is continuing, each Chargor must grant the Facility Agent or its lawyers on reasonable request all facilities within the power of that Chargor to enable the Facility Agent or its lawyers (at the reasonable expense of that Chargor) to

- (a) carry out investigations of title to the Mortgaged Property, and
- (b) make such enquiries in relation to any part of the Mortgaged Property as a prudent mortgagee might carry out

5.14 Power to remedy

If a Chargor fails to perform any term of this Deed affecting its Mortgaged Property, that Chargor must allow the Facility Agent or its agents and contractors (on reasonable notice and subject to the terms of any occupational leases or licences affecting that Mortgaged Property)

- (a) to enter any part of its Mortgaged Property,
- (b) to comply with or object to any notice served on that Chargor in respect of its Mortgaged Property, and
- (c) to take any action as the Facility Agent may reasonably consider necessary to prevent or remedy any breach of any such term or to comply with or object to any such notice

That Chargor must promptly on request by the Facility Agent pay the costs and expenses of the Facility Agent or its agents and contractors incurred in connection with any action taken by it under this Clause

6. INVESTMENTS

6.1 General

In this Clause

Investments means

- (a) the Shares,
- (b) all other shares, stocks, debentures, bonds or other securities and investments included in the definition of **Security Assets** in Clause 1.1 (Definitions),
- (c) any dividend or interest paid or payable in relation to any of the above, and
- (d) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise

Shares means all the shares held by each Chargor in each of its Subsidiaries including those set out in Schedule 2 (Security Assets)

6.2 Investments

Each Chargor represents and warrants to each Finance Party that

- (a) the Shares and, to the extent applicable, its other Investments, are fully paid,
- (b) the Shares represent the whole of the issued share capital of the relevant Subsidiary, and
- (c) it is the sole legal and beneficial owner of its Investments

6.3 Deposit

Each Chargor must

- (a) immediately deposit with the Facility Agent, or as the Facility Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any of its Investments, and
- (b) at any time a Declared Default has occurred and is continuing, promptly execute and deliver to the Facility Agent all share transfers and other documents which may be requested by the Facility Agent (acting reasonably) in order to enable the Facility Agent or its nominees to be registered as the owner or otherwise obtain a legal title to any of its Investments

6.4 Changes to rights

No Chargor may take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Shares being issued, unless (to the extent permitted by the Facility Agreement and the Warrant Instrument) the relevant Chargor delivers the documents in respect of them in accordance with Clause 6.3 (*Deposit*)

6.5 Calls

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of its Investments
- (b) If a Chargor fails to do so, the Facility Agent may pay the calls or other payments on behalf of that Chargor. That Chargor must immediately on request reimburse the Facility Agent for any payment made by the Facility Agent under this Clause

6.6 Other obligations in respect of Investments

- (a) Each Chargor must promptly copy to the Facility Agent and comply with all reasonable requests for information which is within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other constitutional document relating to any of its Investments. If it fails to do so, the Facility Agent may elect to provide such information as it may have on behalf of that Chargor
- (b) Each Chargor must comply with all other material conditions and obligations assumed by it in respect of any of its Investments
- (c) The Facility Agent is not obliged to
 - (i) perform any obligation of a Chargor,
 - (ii) make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor, or
 - (iii) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment

6.7 Voting rights

- (a) Before this Security becomes enforceable

- (i) the voting rights, powers and other rights in respect of the Investments must (if exercisable by the Facility Agent) be exercised in any manner which the relevant Chargor may direct in writing, and
- (ii) all dividends or other income paid or payable in relation to any Investments may be paid directly to the relevant Chargor

Each Chargor must indemnify the Facility Agent against any loss liability incurred by the Facility Agent as a consequence of the Facility Agent acting in respect of the Investments on the direction of any Chargor

After this Security has become enforceable in accordance with Clause 10 (When security becomes enforceable), the Facility Agent may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise

6.8 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "financial collateral" and this Deed and the obligations of a Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226)) the Facility Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities
- (b) Where any financial collateral is appropriated
 - (i) if the financial collateral is listed or traded on a recognised exchange its value will be taken as the value at which it could have been sold on the exchange on the date of appropriation, or
 - (ii) in any other case, the value of the financial collateral will be such amount as the Facility Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use

7. RESTRICTED CREDIT BALANCES

7.1 Account Bank

Each Restricted Account must be maintained at a branch of Barclays Bank PLC or any other Account Bank approved by the Facility Agent (acting reasonably)

7.2 Representations

Each Chargor represents to each Finance Party that

- (a) it is the sole legal and beneficial owner of the credit balance from time to time in each Restricted Account which it maintains, and

- (b) those credit balances are free of any Security Interests (except for those created by or under this Deed or permitted under the Facilities Agreement) and any other rights or interests in favour of third parties (other than any netting or set-off arrangement in favour of the relevant Account Bank pursuant to that Account Bank's standard terms and conditions applicable to its account generally)

7.3 Withdrawals

Except as set out in clause 21 20(b) (FA Provisions) of the Facilities Agreement or otherwise with the prior consent of the Facility Agent, no Chargor may withdraw any moneys (including interest) standing to the credit of any Restricted Account

7.4 Change of Account Banks

- (a) The Account Bank may be changed to another bank or financial institution if the Facility Agent so agrees (acting reasonably)
- (b) A change of Account Bank shall only be effective when the relevant Chargor and the new Account Bank have delivered a notice and acknowledgement substantially in the form set out in Schedule 3 (Forms of letter for Account Bank)

7.5 Notices of charge

Each Chargor must

- (a) immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 3 (Forms of letter for Account Bank) on each Account Bank, and
- (b) use its reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 3 (Forms of letter for Account Bank) or with such amendments thereto as the Facility Agent (acting reasonably) may agree

8. INTELLECTUAL PROPERTY

8.1 General

In this Clause **Intellectual Property Rights** means

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right,
- (b) any copyright or other intellectual property monopoly right,
- (c) any interest (including by way of licence) in any of the above, or
- (d) any application for any of the above,

in each case, whether registered or not, and included in the definition of **Security Assets** in Clause 1.1 (Definitions)

8.2 Representations

Each Chargor represents to each Finance Party that

- (a) the Intellectual Property Rights owned by it are all of the Intellectual Property Rights required by it in order for it to carry on its business as it is now being conducted,
- (b) it is the sole legal and beneficial owner of those Intellectual Property Rights, and
- (c) those Intellectual Property Rights are free of any Security Interests (except for those created by or under this Deed or permitted under the Facilities Agreement) and any other rights or interests (including any licences) in favour of third parties,
- (d) to its knowledge, no Intellectual Property Right owned by it is being infringed, nor is there any threatened infringement of any such Intellectual Property Right

8.3 Preservation

- (a) Each Chargor must during the Security Period, if requested to do so by the Facility Agent (acting reasonably), make entries in any public register of its Intellectual Property Rights which either record the existence of this Deed or the restrictions on disposal imposed by this Deed
- (b) Each Chargor must ensure that, except with the prior consent of the Facility Agent, none of its Intellectual Property Rights which is registered and is necessary for the business of the relevant Chargor is abandoned or cancelled, lapses or is liable to any claim of abandonment for non-use or otherwise

9. RELEVANT CONTRACTS

9.1 General

In this Clause

Relevant Contract means

- (a) an agreement specified in Schedule 2 (Security Assets) under the heading **Relevant Contracts**,
- (b) any agreement to which a Chargor is a party pursuant to which FAPL Receivables are or become payable in favour of SAFC, and
- (c) any other agreement to which a Chargor is a party and which the Facility Agent and the relevant Chargor have designated a Relevant Contract

9.2 Representations

Each Chargor represents to each Finance Party that

- (a) all payments to it by any other party to a Relevant Contract to which it is a party (excluding, for the avoidance of doubt, any payment from the FAPL in respect of charitable donations and/or any other deductions in respect of any FAPL Receivable that is contemplated in the Premier League Rules) are not subject to any right of set-off or similar right,
- (b) each such Relevant Contract is its legal, valid, binding and enforceable obligation,
- (c) it is not in default of any of its material obligations under any such Relevant Contract,

- (d) there is no prohibition on assignment in any such Relevant Contract (save in respect of any FAPL Receivable, as contemplated in the Premier League Rules and in paragraph 7(b) of the Notice of Assignment at Schedule 4 Part 3 hereof), and
- (e) its entry into and performance of this Deed will not conflict with any material term of any such Relevant Contract or, where it does conflict, the appropriate consent has been obtained

9.3 Preservation

No Chargor may, without the prior consent of the Facility Agent (acting reasonably)

- (a) amend or waive any term of, or terminate, any Relevant Contract to which it is a party in any way which could reasonably be expected to be adverse to the interests of the Lenders under the Finance Documents or diminish the value of the Security over the Relevant Contract, or
- (b) take any action which might jeopardise the existence or enforceability of any such Relevant Contract

9.4 Other undertaking

Each Chargor must

- (a) duly and promptly perform its obligations, and diligently pursue its rights, under each Relevant Contract to which it is a party, and
- (b) within 5 Business Days of demand, supply the Facility Agent and any Receiver with copies of each such Relevant Contract and any information and documentation relating to any such Relevant Contract reasonably requested by the Facility Agent or any Receiver

9.5 Notices of assignment

SAFC must on behalf of each Chargor or must procure that each Chargor

- (a) Immediately, serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (Forms of letter for Relevant Contracts), on each counterparty to a Relevant Contract to which it is a party,
- (b) use its reasonable endeavours to procure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (Forms of letter for Relevant Contracts),
- (c) immediately and on each anniversary of the date of this Deed, serve a notice of charge in the form of Part 3 (Notice to Premier League) of Schedule 4 (Forms of letter for Relevant Contracts) on FAPL in relation to the FAPL Receivables, and
- (d) use its reasonable endeavours to obtain acknowledgement of the notice of assignment referred to in paragraph (c) above, substantially in the form of Part 4 (Acknowledgement of Premier League) of Schedule 4 (Forms of letter for Applicable Relevant Contracts) from the FAPL in relation to the FAPL Receivables

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Event of Default

This Security will become immediately enforceable if an Enforcement Event is continuing and the Facility Agent gives written notice to each Chargor that this Security is enforceable

10.2 Discretion

After this Security has become enforceable, the Facility Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit, or as the Majority Lenders direct

10.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable

11. ENFORCEMENT OF SECURITY

11.1 General

- (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) 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
- (c) The statutory powers of leasing conferred on the Facility Agent are extended so as to authorise the Facility Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Facility Agent may think fit and without the need to comply with any provision of section 99 or 100 of the Act

11.2 No liability as mortgagee in possession

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

11.3 Privileges

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

11.4 Protection of third parties

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

- (a) whether the Secured Liabilities have become payable,
- (b) whether any power which the Facility Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised,

- (c) whether any money remains due under the Finance Documents, or
- (d) how any money paid to the Facility Agent or to that Receiver is to be applied

11.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Facility Agent may
 - (i) redeem any prior Security Interest against any Security Asset, and/or
 - (ii) procure the transfer of that Security Interest to itself, and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer, any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor
- (b) Each Chargor must pay to the Facility Agent, immediately on demand, the costs and expenses incurred by the Facility Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest

11.6 Contingencies

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

12. RECEIVER

12.1 Appointment of Receiver

- (a) Except as provided below, the Facility Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if
 - (i) this Security has become enforceable, or
 - (ii) a Chargor so requests the Facility Agent in writing at any time
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed
- (d) The Facility Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986
- (e) The Facility Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Facility Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies

12.2 Removal

The Facility Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated

12.3 Remuneration

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

12.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of each Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver other than defaults arising as a consequence of the gross negligence or wilful default of a Receiver and for liabilities reasonably incurred by a Receiver
- (b) No Finance Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason

12.5 Relationship with Facility Agent

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

13. POWERS OF RECEIVER

13.1 General

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

13.2 Possession

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

13.3 Carry on business

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

13.4 Employees

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

13.5 Borrow money

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

13.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor

13.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender)

13.8 Compromise

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

13.9 Legal actions

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

13.10 Receipts

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

13.11 Subsidiaries

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

13.12 Delegation

A Receiver may delegate his powers in accordance with this Deed

13.13 Lending

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

13.14 Protection of assets

A Receiver may

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset,
- (b) commence and/or complete any building operation, and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he thinks fit

13.15 Other powers

A Receiver may

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

14. APPLICATION OF PROCEEDS

Any moneys received by the Facility Agent or any Receiver after this Security has become enforceable must be applied in the following order of priority

- (a) in or towards payment of or provision for all costs and expenses incurred by the Facility Agent or any Receiver 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 or provision for the Secured Liabilities in accordance with the terms of the Finance Documents, and
- (c) in payment of the surplus (if any) to any Chargor or other person entitled to it

This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of any Finance Party to recover any shortfall from any Chargor

15. EXPENSES AND INDEMNITY

Each Chargor must

- (a) within 5 Business Days of demand pay all costs and expenses (including legal fees) incurred in connection with this Deed by the Facility Agent, any Receiver, attorney, manager, agent or other person appointed by the Facility Agent under this Deed including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise, and
- (b) keep each of them indemnified against any failure or delay in paying those costs or expenses

16. DELEGATION

16.1 Power of Attorney

The Facility Agent or 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

16.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Facility Agent or any Receiver may think fit

16.3 Liability

Neither the Facility Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate provided that such loss or liability did not arise as a consequence of the gross negligence or wilful default of any such person

17. FURTHER ASSURANCES

Each Chargor must, at its own reasonable expense, take whatever action the Facility Agent or a Receiver may require for

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

This includes

- (i) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Facility Agent or to its nominee, or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Facility Agent may (acting reasonably) think expedient

18. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Facility Agent, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which that Chargor is obliged to take under this Deed and has failed to take. Each Chargor ratifies and confirms whatever any attorney lawfully does or purports to do under its appointment under this Clause provided that such acts were not carried out with gross negligence or in default of the provisions of this Deed.

19. MISCELLANEOUS

19.1 Covenant to pay

Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

19.2 Tacking

Each Lender must perform its obligations under the Facilities Agreement (including any obligation to make available further advances).

19.3 New Accounts

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

19.4 Time deposits

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

- (a) this Security has become enforceable, and
- (b) no Secured Liability is due and payable,

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

19.5 Notice of assignment

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

20. RELEASE

At the end of the Security Period (or, in respect of any disposal of a Security Asset permitted in accordance with clause 21 6(b) of the Facilities Agreement (the "**Disposed Security Asset**"), at the time of such disposal), the Facility Agent must promptly following the request of and at the cost of a Chargor, take whatever action is necessary to release its Security Assets (or as applicable, the Disposed Security Asset) from this Security, re-assign any rights assigned under this Deed, return all deeds and documents of title delivered to the Facility Agent under this Deed, and execute and deliver such further deeds or documents as the Chargor may reasonably require in order to give effect to this Clause (including, without limitation, any filings required to be made in order to remove the restriction referred to at Clause 5 10 (H M Land Registry))

21. GOVERNING LAW

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

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

SCHEDULE 1

CHARGORS

Name of Chargor	Registered number
SUNDERLAND ASSOCIATION FOOTBALL CLUB LIMITED	00049116
SUNDERLAND LIMITED	03189630
1879 EVENTS MANAGEMENT LIMITED	07743495

SCHEDULE 2

SECURITY ASSETS

REAL PROPERTY

The freehold property being the Stadium of Light, Sunderland, SR5 1SU registered at the Land Registry with title number TY340536

The freehold property being the training facility at the Academy of Light, Sunderland Road, Cleadon, SR6 7UN registered at the Land Registry with title number TY362190

The freehold property being land on the north side of Cleadon Lane, Whitburn and known as the Charlie Hurley Centre registered at the Land Registry with title number TY12491

The freehold property being land at Sunderland Road, Cleadon registered at the Land Registry with title number TY422161

The freehold property being The Cottage, Whitburn Moors Farm, Sunderland Road, Cleadon registered at the Land Registry with title number TY99684

The freehold property being the land lying to the west of Stadium Way, Sunderland registered at the Land registry with title number TY344125

The leasehold property registered at the Land Registry with title number TY340480

SHARES

Chargor	Subject Company	Number and type of shares held
Sunderland Limited	Sunderland Association Football Club Limited	30,503 ordinary £1 shares
	SAFC COM PLC	49,999 ordinary £1 shares
	Sunderland Properties PLC	49,999 ordinary £1 shares
Sunderland Association Football Club Limited	1879 Events Management Limited	1 ordinary £1 share
	Sunderland Association Football Club Ladies Limited	1 ordinary £1 share
	SAFC COM PLC	1 ordinary £1 share
	Sunderland Properties PLC	1 ordinary £1 share
	Sunderland AFC COM Limited	1 ordinary £1 share

SPECIFIC INTELLECTUAL PROPERTY RIGHTS

[None]

RELEVANT CONTRACTS

[None]

SCHEDULE 3

FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK

[On the letterhead of the Chargor]

To [Account Bank]

Copy Security Benefit Corporation

[Date]

Dear Sirs,

Security Agreement dated [●] 2014 between, amongst others, Sunderland Association Football Club Limited and Security Benefit Corporation (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement we (the **Chargor**) have charged (by way of a first fixed charge) in favour of Security Benefit Corporation (the **Facility Agent**) all our rights in respect of any amount standing to the credit of the account maintained by us with you (Account no [] sort code []) (the **Restricted Account**) and the debt represented by it

We irrevocably instruct and authorise you to

- (a) disclose to the Facility Agent any information relating to the Restricted Account requested from you by the Facility Agent,
- (b) comply with the terms of any written notice or instruction relating to the Restricted Account received by you from the Facility Agent,
- (c) hold all sums standing to the credit of the Restricted Account to the order of the Facility Agent, and
- (d) pay or release any sum standing to the credit of the Restricted Account in accordance with the written instructions of the Facility Agent

We are not permitted to withdraw any amount from the Restricted Account without the prior written consent of the Facility Agent

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you

The instructions in this letter may not be revoked or amended without the prior written consent of the Facility Agent

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Facility Agent at [ADDRESS] with a copy to us

Yours faithfully,

(Authorised Signatory)

Sunderland Association Football Club Limited

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK

[On the letterhead of the Account Bank]

To Security Benefit Corporation

Copy Sunderland Association Football Club Limited

[Date]

Dear Sirs,

Security Agreement dated [●] 2014 between, amongst others, Sunderland Association Football Club Limited and Security Benefit Corporation (the Security Agreement)

We confirm receipt from Sunderland Association Football Club Limited (the **Chargor**) of a notice dated [] of a charge upon the terms of the Security Agreement over all the rights of the Chargor to any amount standing to the credit of its account with us (Account no [], sort code []) (the **Restricted Account**) and the debt represented by it

We confirm that we

- (a) accept the instructions contained in the notice and agree to comply with the notice,
- (b) have not received notice of the interest of any third party in the Restricted Account,
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Restricted Account, and
- (d) will not permit any amount to be withdrawn from the Restricted Account without your prior written consent

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

Yours faithfully,

(Authorised signatory)

[Account Bank]

By countersigning this letter the Facility Agent agrees to the Account Bank paying all accrued interest on each Restricted Account to the Chargor in accordance with its normal business terms

Yours faithfully,

(Authorised signatory)
Security Benefit Corporation

SCHEDULE 4
FORMS OF LETTER FOR RELEVANT CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To [Contract party]

[Date]

Dear Sirs,

Security Agreement dated [] between []
and [] (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security to [] (the **Facility Agent**) all our rights in respect of [insert details of Contract] (the **Contract**)

We confirm that

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract, and
- (b) none of the Facility Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Facility Agent to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Facility Agent or as it directs

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior consent of the Facility Agent

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Facility Agent at [ADDRESS], with a copy to ourselves

Yours faithfully,

[Chargor]

(Authorised signatory)

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To [Facility Agent]

Copy [Chargor]

[Date]

Dear Sirs,

We confirm receipt from [] (the **Chargor**) of a notice dated [] of an assignment on the terms of the Security Agreement dated [] of all the Chargor's rights in respect of [insert details of the Contract] (the **Contract**)

We confirm that we will pay all sums due, and give notices, under the Contract as directed in that notice

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

Yours faithfully,

(Authorised signatory)

[Counterparty]

PART 3

NOTICE TO PREMIER LEAGUE

The Football Association Premier League Limited
30 Gloucester Place
London
W1U 8PL

[●] 2014

Dear Sirs

Proposed Assignment of Central Funds (the Proposed Assignment)

In this Notice reference to "Premier League" means as appropriate, The Football Association Premier League Limited or combination of association football clubs comprising the clubs known as the FA Premier League, or any replacement thereof by whatever name

- 1 We hereby give you written notice that pursuant to Rule D 32 of the Premier League Rules (as from time to time in force) (the **Rules**) we wish to assign to Security Benefit Corporation, all our right, title and interest in and to all amounts (excluding VAT) due or owing to or which may be due or owing to or purchased or otherwise acquired by us from the Premier League for the 2014/15 association football season in relation to the Central Funds (as defined in Rule E 25 1) (the **Assigned Property**)
- 2 We confirm that attached to this Notice are copies of the full suite of proposed documentation which will give effect to the proposed charge, assignment or other grant of security, a full index of which is included at Schedule 1 to this Notice (the **Assignment Documents**) which we intend to enter into in respect of the Assigned Property. We further confirm that we will not execute the Assignment Documents in relation to the Assigned Property until we have received written confirmation from the Premier League pursuant to Rules D 32 2 that it is satisfied with the form and content of the Assignment Documents
- 3 We undertake to sign and to procure that Security Benefit Corporation will sign an agreement with the Premier League in the form of the Acknowledgment provided by the Premier League which confirms (inter alia) that in taking the Proposed Assignment of the Assigned Property
 - (a) Security Benefit Corporation understands that Sunderland Association Football Club Limited's entitlement to future distributions of any Central Funds is subject to the provisions of the Articles of Association of the Premier League and the Rules,
 - (b) that Sunderland Association Football Club Limited and Security Benefit Corporation acknowledge and agree that in the event of Sunderland Association Football Club Limited suffering an Insolvency Event pursuant to Rules E 29 4, E 29 5, E 29 6 and/or E 29 7 and/or ceasing to be a member of the Premier League or the Football League (as defined in the Rules) Sunderland Association Football Club Limited's entitlement to Central Funds shall immediately and irrevocably cease,
 - (c) in the event of non-payment of creditors as summarised in the Acknowledgement letter and more particularised in the Rules, the Premier League shall have the right to make any payments due to the relevant creditors before accounting to Security Benefit Corporation, and

(d) that we have fully disclosed our current and future liabilities to other Clubs and clubs (as defined in the Rules) and to other Football Creditors (as defined in Rule E 27 and Rule E 35, as appropriate) to Security Benefit Corporation and that we shall make full disclosure of such liabilities on each anniversary of the date of this Notice

4 Subject to approval of the Assignment Documents, we hereby irrevocably authorise and instruct you to pay all monies whatsoever (excluding VAT) now or at any time hereafter due or owing to us under or by virtue of the Assigned Property to State Street Bank and Trust Company, London Branch, address 20 Churchill Place, Canary Wharf, London E14 5HJ, United Kingdom, sort code [REDACTED], account number [REDACTED], account name [REDACTED], State Street Bank & Trust Boston (whose receipt shall be a full and sufficient discharge of such payment) or to such account of Security Benefit Corporation as Security Benefit Corporation may notify you in writing from time to time

5 We further hereby irrevocably instruct and authorise you to furnish to Security Benefit Corporation, following completion of the Proposed Assignment, all information in relation to the monies due or owing to us under or by virtue of the Assigned Property as we would be entitled to receive ourselves

6 This authority and instruction is declared to be irrevocable without the prior written consent of Security Benefit Corporation

7 The Assignment Documents

(a) declare that we remain liable to you to perform all the obligations assumed by us in respect of the Assigned Property and Security Benefit Corporation is to be under no such obligations of any kind,

(b) contain a provision that Security Benefit Corporation shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights and obligations under the relevant document without your prior written consent (such consent not to be unreasonably withheld), and

(c) contain an express provision entitling you to enforce 7(a) and 7(b) above

Please acknowledge receipt of this Notice and these instructions

We look forward to receiving the written consent in respect of the Assignment Documents pursuant to Rule D 32 2

Yours faithfully

For and on behalf of
Sunderland Association Football Club Limited

PART 4

ACKNOWLEDGEMENT OF PREMIER LEAGUE

Security Benefit Corporation
One Security Benefit Place
Topeka
KS 66636-0001, US

Attention Cole Charnas

and

Sunderland Association Football Club Limited
Stadium of Light
Sunderland
Tyne and Wear
SR5 5SU

Attention Angela Lowes

[●] 2014

Dear Sirs

Acknowledgement of Notice of Proposed Assignment (the "Notice") between Sunderland Association Football Club Limited and Security Benefit Corporation

We refer to the Notice (a copy of which is attached to this letter) and the attached Assignment Documents (as defined in the Notice) and confirm that subject to the following, we consent to the assignment as proposed in the Notice. For the avoidance of doubt, unless otherwise expressly provided, all definitions in this Acknowledgment are as adopted in the Notice

Our consent is subject to all parties executing this Acknowledgment and Sunderland Association Football Club Limited returning the fully executed version, along with copies of the fully executed Assignment Documents to us and our providing written confirmation of receipt of the same

We further confirm that it is our intention to account to Security Benefit Corporation instead of Sunderland Association Football Club Limited for all sums referred to in numbered paragraph 1 of the Notice until such time as we subsequently receive written notice to the contrary from both Sunderland Association Football Club Limited and Security Benefit Corporation

PROVIDED THAT Sunderland Association Football Club Limited and Security Benefit Corporation acknowledge and agree that

- (a) pursuant to Rule E 25, if Sunderland Association Football Club Limited (which includes a Relegated Club as defined in the Rules) is in default in making any payment due to us or to any creditor of the description set out in Rule E 27, or pursuant to Rule E 28 if Sunderland Association Football Club Limited is in default of payment of any Compensation Fee (as defined in the Rules) payment to any Transferor Club(s) (as defined in the Rules), we are first entitled to apply any sums which would otherwise be payable to Sunderland Association Football Club Limited (including under the Rules referred to in the Notice) in discharge of any debt due and payable (and unpaid at such time) from Sunderland Association Football Club Limited to us or such Premier League Club(s) or Transferor Club(s) before accounting

to Security Benefit Corporation for the sums referred to in numbered paragraph 1 of the Notice provided that, for the purpose of determining whether any such debt is due and payable we shall not bring forward the payment date for any such debt or otherwise take into account any debt falling due after the date on which Security Benefit Corporation is to be paid. For the avoidance of doubt, if we are reasonably satisfied that Sunderland Association Football Club Limited has failed to make any payment due to any creditor of the description set out in Rule E 27, pursuant to Rule E 25 2, we may also withhold distribution of any Central Funds (as defined in the Rules) due to Sunderland Association Football Club Limited to the extent of any liabilities Sunderland Association Football Club Limited may have to us or to any creditor of the description set out in Rule E 27 within the period of 60 days after the due date of the distribution of the Central Funds and pay the same to the aforementioned creditor/s,

- (b) pursuant to Rule E 34, in the case of a Club (as defined in the Rules) that is suspended under Rule E 29 or whose suspension is postponed under Rule E 31, notwithstanding completion of the Proposed Assignment, the Board (as defined in the Rules) shall have power to make such payments as it may think fit to the Club's football creditors as defined by Rule E 35,
- (c) pursuant to Rule E 38 any distribution to a Relegated Club may be deferred if on or before the date of the distribution the Relegated Club has been given notice by the Football League (as defined in the Rules) that its membership has been suspended and such notice has not been withdrawn. The Relegated Club may also lose its entitlement to any distribution if the club ceases to be a member of the Football League whereupon the club's entitlement shall revert back to the general distribution fund,
- (d) in taking Proposed Assignment
 - (i) Security Benefit Corporation acknowledges and agrees that Sunderland Association Football Club Limited's entitlement to future distributions of Central Funds is subject to the provisions of the Articles of Association of the Premier League and the Rules,
 - (ii) Sunderland Association Football Club Limited and Security Benefit Corporation acknowledge and agree that in the event of Sunderland Association Football Club Limited suffering an Insolvency Event pursuant to Rules E 29 4, E 29 5, E 29 6 and/or E.29 7 and/or ceasing to be a member of the Premier League or the Football League (as defined in the Rules) Sunderland Association Football Club Limited's entitlement to Central Funds shall immediately and irrevocably cease,
 - (iii) in the event of non-payment of creditors as summarised in paragraph (a) of this letter and more fully particularised in the Rules, the Premier League shall have the right to make any payments due to the relevant creditors before accounting to Security Benefit Corporation, and
 - (iv) Sunderland Association Football Club Limited has fully disclosed to [Security Benefit Corporation] its current and future liabilities to other Clubs and clubs (as defined in the Rules) and to other Football Creditors (as defined in Rule E 27 and Rule E 35, as appropriate),
- (e) the limit of the Security Benefit Corporation's entitlement is as assignee of the financial benefit accruing to Sunderland Association Football Club Limited under the Rules referred to in the Notice and not otherwise and accordingly recourse against us is limited to the payments that would be due from us to Sunderland Association Football Club Limited under the Rules, subject always to paragraphs (a) to (d) above,

- (f) we reserve the right to re-charge Sunderland Association Football Club Limited all and any costs charges and expenses (including, but not limited to legal and courier expenses) which have been notified to Sunderland Association Football Club and agreed in advance, together with value added tax thereon, incurred by us in reviewing the Assignment Documents and processing the Proposed Assignment and in liaising with Sunderland Association Football Club Limited and Security Benefit Corporation and in facilitating payments to Security Benefit Corporation, and Sunderland Association Football Club Limited and Security Benefit Corporation hereby consent to us deducting such expenses from payments of distributions of Central Funds that would otherwise be payable to Sunderland Association Football Club Limited or Security Benefit Corporation, as the case may be,
- (g) Sunderland Association Football Club Limited will immediately pay to Security Benefit Corporation any monies paid to Sunderland Association Football Club Limited by us in error and which Security Benefit Corporation is entitled to receive,
- (h) Security Benefit Corporation will immediately repay to us, any monies paid to Security Benefit Corporation by us, in excess of Security Benefit Corporation's entitlement to receive distributions of Central Funds, save that if any such excess monies paid to Security Benefit Corporation should have been paid by us to Sunderland Association Football Club Limited, Security Benefit Corporation will immediately pay such monies to Sunderland Association Football Club Limited,
- (i) nothing in either the Proposed Assignment or the Notice itself shall in any way prevent or restrict us from amending the Rules in accordance with our constitution in any manner,
- (j) nothing in either the Proposed Assignment or the Notice itself shall impose any obligation on us (other than the obligation to account to Security Benefit Corporation as set out above) or any obligations towards any third party (i.e. other than Sunderland Association Football Club Limited or Security Benefit Corporation), and
- (k) this letter is subject to Rules and rule numbering in force at the relevant time of making payment under the Notices

Yours faithfully

for and on behalf of
THE FOOTBALL ASSOCIATION
PREMIER LEAGUE LIMITED

Acknowledged and agreed by
Sunderland Association Football Club Limited

Acknowledged and agreed by
Security Benefit Corporation

for and on behalf
Sunderland Association Football Club Limited

for and on behalf of
Security Benefit Corporation

SIGNATORIES

EXECUTED AS A DEED by)
SUNDERLAND ASSOCIATION)
FOOTBALL CLUB LIMITED)
acting by *WILLIAM BRYAN*)



Director

In the presence of:

Witness's signature:

Name: *WILLIAM BRYAN*

Address: MACFARLANES LLP
20 CURSITOR STREET
LONDON
EC4A 1LT

EXECUTED AS A DEED by)
SUNDERLAND LIMITED)
acting by *WILLIAM BRYAN*)



Director

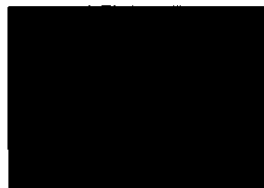
In the presence of:

Witness's signature:

Name: *WILLIAM BRYAN*

Address: MACFARLANES LLP
20 CURSITOR STREET
LONDON
EC4A 1LT

EXECUTED AS A DEED by)
1879 EVENTS MANAGEMENT LIMITED)
acting by *WILLIAM BRYAN*)



Director

In the presence of:

Witness's signature:

Name: *WILLIAM BRYAN*

Address: MACFARLANES LLP
20 CURSITOR STREET
LONDON
EC4A 1LT

Facility Agent

SECURITY BENEFIT CORPORATION

By:

A solid black rectangular box used to redact the signature of the Facility Agent.

0110744-0000002 BK-27765528

[signature page to the Security
Agreement]