

MR01

Particulars of a charge

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A fee is payable with this form
Please see 'How to pay' on



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



A09 08/08/2016 #235
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 3 3 2 7 9 0 5

Company name in full

LUSH MANUFACTURING LIMITED

5

For official use

Filing 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

0 1 0 8 2 0 1 6

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

BARCLAYS BANK PLC as security agent and security
trustee for the Finance Parties (as defined in the
accompanying copy instrument)

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

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

Brief description

All present and future freehold or leasehold land and all Intellectual Property as defined in, and pursuant to clause 3 of the accompanying copy instrument.

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 *Summons & Summons LLP* X
KJN 05/08/16

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 Amanda Gardam (001226-01865)

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode E C 2 Y 9 S S

Country

DX DX Box No 12 Chancery Lane London

Telephone 020 7628 4815

**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 £23 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.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3327905

Charge code. 0332 7905 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st August 2016 and created by LUSH MANUFACTURING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th August 2016

DX

Given at Companies House, Cardiff on 16th August 2016



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

FMBK/001226-01865/MSXM/ECTH

L_LIVE_EMEA1 33876422v6

Security Agreement

between

The Persons listed in Schedule 1
as Original Chargors

and

Barclays Bank PLC
as Security Trustee

relating to

a multi-currency revolving credit facility up to a
maximum amount of £35,000,000

WE CERTIFY THAT, SAVE FOR THE
MATERIAL REDACTED PURSUANT TO
s.859G OF THE COMPANIES ACT
2006, THIS COPY INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
INSTRUMENT.

Simmons & Simmons LLP

Signed (firm name)

KJN

Initials of Signatory

0908/16

Dated (DD/MM/YY)

Simmons & Simmons

Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS United Kingdom

T +44 20 7628 2020 F +44 20 7628 2070 DX Box No 12

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THIS DEED is dated

01 August

2016 and made

BETWEEN:

- (1) **THE PERSONS** listed in Schedule 1 (*Original Parties*), as chargors (the "**Original Chargors**"), and
- (2) **BARCLAYS BANK PLC**, (the "**Security Trustee**" which expression includes its successors and assigns as security agent and security trustee for the Finance Parties).

BACKGROUND:

- (A) Each Chargor is entering into this Deed in connection with the Finance Documents
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand

IT IS AGREED as follows

1 Interpretation

1.1 Definitions

In this Deed terms defined in the Facility Agreement have the same meaning unless given a different meaning in this Deed and

"**Additional Chargor**" means a person who becomes a Chargor by executing a Deed of Accession

"**Assigned Contracts**" means, in relation to a Chargor

- (A) the Master Licence Agreement, any other agreement relating to any Intellectual Property which is used by any Chargor and any agreement specified in Schedule 4 (*Assigned Contracts*) or the relevant Part of the Schedule to a Deed of Accession by which it became a party to this Deed or in the relevant Part of the Schedule to a Supplemental Mortgage, and
- (B) any other agreement to which that Chargor is a party and which
 - (1) prior to the occurrence of a Relevant Event, has been designated as an Assigned Contract by the Security Trustee with the agreement of the relevant Chargor, and
 - (2) following the occurrence of a Relevant Event, has been designated an Assigned Contract by the Security Trustee alone

"**Charged Property**" means all of the assets of a Chargor which from time to time are, or are expressed to be, subject to the Security created or expressed to be created in favour of the Security Trustee pursuant to this Deed or any Deed of Accession or any Supplemental Mortgage

"**Chargor**" means an Original Chargor or any Additional Chargor

"**Deed of Accession**" means a document substantially in the form of Schedule 11 (*Deed of Accession*)

"Delegate" means any delegate or sub delegate appointed under Clause 21 (*Delegation*)

"Enforcement Event" means an Event of Default which is continuing

"Existing Security Agreement" means the security agreement dated 19 July 2013 between the Original Chargors as original chargors and the Security Trustee as security trustee.

"Facility Agreement" means the facility agreement dated 19 July 2013 as amended and restated on or about the date of this Deed between the Parent, the Lenders named in it, Barclays Bank PLC as arranger and Barclays Bank PLC as agent and security agent

"Intellectual Property" means

- (A) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered, and
- (B) the benefit of all applications and rights to use such assets of a Chargor (which may now or in the future subsist) including, without limitation, the rights granted to the Chargors pursuant to the Master Licence Agreement

"Investments" means any securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit), warrants, options or other rights to subscribe for, purchase or otherwise acquire securities and investments now or in the future owned by a Chargor or (to the extent of its interest) in which it now or in the future has any interest

"LPA" means the Law of Property Act 1925

"Mortgaged Property" means any freehold or leasehold property included in the definition of Charged Property

"Party" means a party to this Deed

"Relevant Asset" means

- (A) any Relevant Shares,
- (B) any Relevant Real Property, and/or
- (C) any Relevant Plant or Machinery.

"Relevant Event" means

- (A) the occurrence of an Enforcement Event, or
- (B) the occurrence of any event or circumstance which might reasonably be expected to result in an Enforcement Event occurring under the provisions of clause 24 2(A) (*Financial covenants and other obligations*) of the Facility Agreement

"Relevant Plant or Machinery" means any plant or machinery which is acquired by a Chargor after the date of this Deed, where the higher of

- (A) the consideration paid for such asset, and

(B) the market value of such asset,

is in excess of £500,000 (or its equivalent)

"Relevant Real Property" means any freehold or leasehold property which is acquired by a Chargor after the date of this Deed where the higher of

(A) the consideration paid for such property, and

(B) the market value of such property,

is in excess of £1,000,000 (or its equivalent)

"Relevant Shares" means any shares held by a Chargor in an Obligor, including the shares in any member of the Group which becomes an Obligor after date of this Deed

"Secured Liabilities" means all present and future moneys, debts, liabilities and obligations due, owing or incurred by any Obligor to the Finance Parties under or in connection with any Finance Document (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise)

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated

"Supplemental Mortgage" means a document substantially in the form of Schedule 13 (*Supplemental Mortgage*)

1 2 Construction

- (A) Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument
- (B) The other provisions of clause 1 2 (*Interpretation*) of the Facility Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) Unless a contrary indication appears, a reference in this Deed to **"Charged Property"** includes any part of that Charged Property and the proceeds of that Charged Property
- (D) Each of the undertakings given by a Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period
- (E) Each representation and warranty expressed to be made by a Chargor in this Deed is made by a Chargor on the date of this Deed (or, if it becomes a Party to this Deed later, the date it becomes a Party) and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing.

1 3 **Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1 4 **Third party rights**

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed

1 5 **Existing Security**

- (A) In this clause 1 5, "Existing Barclays Security" means any security provided by any Chargor in favour of Barclays Bank PLC which has been entered into prior to the date of the Existing Security Agreement
- (B) For so long as Barclays Bank PLC remains as a Lender under the Facility Agreement, to the extent that there is any inconsistency between a Chargor's ongoing perfection obligations (the "Obligations") under this Deed and under any Existing Barclays Security, the terms of this Deed shall prevail, and Barclays Bank PLC shall not require the relevant Chargor to comply with any additional ongoing Obligations under any Existing Barclays Security which are inconsistent with the Obligations contained in this Deed

2 **Covenant to pay**

Each Chargor shall pay each of the Secured Liabilities when due or if they do not specify a time, on demand

3 **Creation of Security**

3 1 **Security generally**

All the Security created, or expressed to be created, under this Deed or any Deed of Accession or any Supplemental Mortgage

- (A) is created in favour of the Security Trustee,
- (B) is created over the present and future assets of each Chargor,
- (C) is security for the payment of all the Secured Liabilities, and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3 2 **Land**

- (A) Each Chargor charges
 - (1) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use

that property, including the freehold or leasehold property (if any) specified in Schedule 1 (*Mortgaged Property*), and

- (2) (to the extent that they are not the subject of a legal mortgage under paragraph 3 2(A)(1) above) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property
- (B) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes
- (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
 - (2) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants

3 3 Investments

- (A) Each Chargor charges by way of a first fixed charge all of its rights and interests in its Investments (including any specified in Schedule 3 (*Investments*))
- (B) A reference in this Deed to any mortgage or charge of any Investments includes.
- (1) any dividend or interest paid or payable in relation to it,
 - (2) 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,
 - (3) any right against any clearance system in relation to it, and
 - (4) any right under any custodian or other agreement in relation to it

3 4 Contracts

- (A) Each Chargor assigns absolutely to the Security Trustee all of its rights and interests under each Assigned Contract
- (B) To the extent that any such right described in paragraph (A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under paragraph (A) or (B) above, each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.

(D) If a Chargor assigns an agreement or document under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained:

- (1) that Chargor must notify the Security Trustee immediately,
- (2) unless the Security Trustee otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable, and
- (3) if requested by the Security Trustee, that Chargor must promptly supply to the Security Trustee a copy of the consent obtained by it

3 5 Bank accounts

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 account (including but not limited to, any account contemplated by the Facility Agreement or this Deed) it has in its name (or to which it is beneficially entitled) with any person and the debt represented by such account.

3 6 Book debts etc.

Each Chargor charges by way of a first fixed charge

- (A) all of its book and other debts,
- (B) all other moneys due and owing to it, and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (A) and (B) above

3 7 Insurances

- (A) Each Chargor assigns absolutely to the Security Trustee 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
- (B) To the extent that any such right described in paragraph 3 7(A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph 3 7(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under paragraph 3 7(A) or 3 7(B) above, Each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party

3 8 Plant and machinery

Each Chargor charges by way of a first fixed charge all fixed and moveable plant and machinery owned by it (including any specified in schedule 7 (*Plant and Machinery*) or in the relevant part of the schedule to the Deed of Accession by which it became a party to this Deed), its interest in any plant or machinery in its possession and the benefit of all related Authorisations, agreements and warranties

3 9 Intellectual Property

Each Chargor charges by way of first fixed charge all its Intellectual Property (including any specified in schedule 6 (*Intellectual Property*) or in the relevant Part of the schedule to the Deed of Accession by which it became a party to this Deed)

3 10 Authorisations

Each Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation

3 11 Pension fund

Each Chargor charges by way of first fixed charge any beneficial interest, claim or entitlement it has in any pension fund

3 12 Goodwill

Each Chargor charges by way of first fixed charge its goodwill

3 13 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital

3 14 Floating charge

- (A) Each Chargor charges by way of first floating charge its undertaking and assets, both present and future not otherwise effectively mortgaged or charged under this Deed
- (B) The floating charge created by Each Chargor pursuant to paragraph (A) is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Trustee may appoint an administrator to a Chargor pursuant to that paragraph
- (D) The Security Trustee may convert the floating charge created by this Deed or any Deed of Accession over all or any of the Charged Property into a fixed charge by notice to the relevant Chargor specifying the relevant Charged Property (either specifically or generally)
 - (1) while an Enforcement Event is continuing; and/or
 - (2) if the Security Trustee considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
 - (1) a Chargor takes any step to create any Security in breach of Clause 6 1 (*Security*) over any of the Charged Property not subject to a mortgage or fixed charge,

- (2) an administrator is appointed or the Security Trustee receives notice of an intention to appoint an administrator in respect of a Chargor, or
- (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,

the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge

4 Continuing Security

4.1 Continuing Security

The Security created, or expressed to be created, by this Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

4.2 Additional security

The Security created, or expressed to be created, by this Deed

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party, and
- (B) may (following the occurrence of an Enforcement Event) be enforced against a Chargor without having recourse to any other rights of any Finance Party

5 Further assurance

- (A) Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))
 - (1) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Finance Documents or by law,
 - (2) to confer on the Security Trustee or confer on the Finance Parties Security over any Relevant Asset of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed, and/or
 - (3) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created or expressed to be created by this Deed
- (B) Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to the Finance Documents

6 Restrictions on dealing

6.1 Security

No Chargor shall create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 23.15 (*Negative pledge*) of the Facility Agreement except as permitted by that clause

6.2 Disposals

No Chargor shall (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Charged Property except as permitted by clause 23.16 (*Disposals*) of the Facility Agreement

7 Land

7.1 The Land Registry

In the case of a Chargor's existing freehold or leasehold property, that Chargor shall, promptly following the occurrence of a Relevant Event

- (A) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed,
- (B) promptly submit to the Land Registry the duly completed form RX1 requesting a restriction in the form specified by the Security Trustee to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed,
- (C) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and
- (D) promptly pay all appropriate registration fees

7.2 Acquisitions

- (A) If a Chargor acquires any freehold or leasehold property after the date of this Deed it shall
 - (1) unless the property consists of retail premises where the interest acquired is leasehold with a term of 10 years or less, notify the Security Trustee immediately,
 - (2)
 - (a) in respect of any Relevant Real Property, immediately on request by the Security Trustee, and
 - (b) in respect of all other freehold or leasehold property acquired after the date of this Deed, immediately following the occurrence of a Relevant Event,

at the cost of the relevant Chargor, execute and deliver to the Security Trustee a Supplemental Mortgage of that freehold or leasehold property together with such constitutional documents, corporate authorisations and other matters as the Security Trustee may require to verify that such document constitutes that Chargor's legal, valid, binding and enforceable obligations,

(3)

- (a) in respect of any Relevant Real Property where the title is registered at the Land Registry or is required to be so registered, promptly, and
- (b) in respect of all other freehold or leasehold property where the title is registered at the land registry or is required to be so registered, immediately following the occurrence of a Relevant Event,

and, in each case, in any event within any applicable priority period, apply to the Land Registry.

- (i) for first registration of that freehold or leasehold property (where that freehold or leasehold property is not already registered at the Land Registry) and registration of that Chargor as the registered proprietor of that freehold or leasehold property,
 - (ii) to register the Security created or expressed to be created by this Deed or any document entered into pursuant to paragraph 7 2(A)(2) above,
 - (iii) submit to the Land Registry a duly completed form RX1 requesting a restriction in the form specified by the Security Trustee to be entered on the register of title for that freehold or leasehold property,
 - (iv) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and
 - (v) promptly pay all appropriate registration fees
- (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. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent

7 3 Deposit of title deeds

Promptly following the reasonable request of the Security Trustee, each Chargor shall deposit with the Security Trustee all deeds and documents of title relating to any Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of that Chargor

7 4 Title Information Document

On completion of the registration of any Security in respect of its Mortgaged Property, Each Chargor shall promptly supply to the Security Trustee a certified copy of the Title Information Document issued by the Land Registry

7 5 Power to remedy

Each Chargor shall permit the Security Trustee and/or any of its representatives, agents or contractors, when the Security Trustee believes that a Default has occurred or might reasonably be expected to occur, to enter any Mortgaged Property and to take any steps which it believes necessary in relation to that Mortgaged Property. Each Chargor shall immediately on demand by the Security Trustee pay the costs and expenses of the Security Trustee, its representatives, agents or contractors incurred in connection with any action taken under this clause

7 6 Notice of charge or assignment

- (A) Promptly following the occurrence of a Relevant Event, each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each tenant of any Mortgaged Property
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in paragraph 7 6(A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

8 Investments

8 1 Investments

Each Chargor represents and warrants to the Security Trustee for the benefit of each Finance Party that.

- (A) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right, other than the Permitted Arrangements;
- (B) the constitutional documents of the Obligors do not and could not restrict or inhibit the transfer of those Investments on creation or the enforcement of the Security created by or expressed to be created by this Deed or any Deed of Accession,
- (C) it is the sole legal and beneficial owner of the Investments,
- (D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion), other than the Permitted Arrangements,
- (E) it has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006, and
- (F) no warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments

8.2 **Certificated Investments**

- (A) Each Chargor shall on the date of this Deed (in relation to any certificated Investments constituting shares in a Subsidiary incorporated in England and Wales) and as soon as reasonably practicable after the occurrence of a Relevant Event (in respect of all other certificated Investments)
- (1) deposit with the Security Trustee, or as the Security Trustee may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to its Investments, and
 - (2) promptly take any action and execute and deliver to the Security Trustee any share transfer or other document which may be requested by the Security Trustee in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to its Investments, this includes
 - (a) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Security Trustee or any of its nominees as transferee or, if the Security Trustee so directs, with the transferee left blank, and
 - (b) procuring that those share transfers are registered by the issuer of the Investments are held and that share certificates in the name of the transferee are delivered to the Security Trustee
- (B) For the avoidance of doubt, nothing in paragraph (A) above shall limit or restrict the obligations of any Chargor to carry out such actions as are required by the Security Trustee under the provisions of clause 5 (*Further assurance*) in respect of any Relevant Shares

8.3 **Changes to rights**

Each Chargor may not 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 Investments being issued

8.4 **Calls**

- (A) Each Chargor shall pay all calls or other payments due and payable in respect of its Investments
- (B) If a Chargor fails to do so, the Security Trustee may pay the calls or other payments in respect of any Investment on behalf of the Chargor. Each Chargor shall immediately on request reimburse the Security Trustee for any payment made by the Security Trustee under this Clause 8.4

8.5 **Other obligations in respect of Investments**

- (A) Each Chargor shall promptly copy to the Security Trustee and comply with all requests for information which is within its knowledge and which are made under the Companies Act 2006 (including, without limitation, under Sections 790D, 790E or 793 of the Companies Act 2006) or any similar provision contained in any articles of association or other constitutional document relating to any of the Investments. If it fails to do so, the Security Trustee may elect to provide such information as it may have on behalf of the Chargor

- (B) Each Chargor shall comply with all other conditions and obligations assumed by it in respect of any Investments
- (C) The Security Trustee is not obliged to
 - (1) perform any obligation of a Chargor,
 - (2) make any payment,
 - (3) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor, or
 - (4) 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 Investments

8 6 Voting rights before enforcement

- (A) Subject to Clause 8 7 (*Voting rights after enforcement*), a Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party
- (B) If the relevant Investments have been registered in the name of the Security Trustee or its nominee, the Security Trustee (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Trustee (or that nominee) will execute any form of proxy or other document which a Chargor may reasonably require for this purpose
- (C) Subject to Clause 8 7 (*Voting rights after enforcement*), all dividends or other income or distributions paid or payable in relation to any Investments shall be paid to the relevant Chargor or otherwise in accordance with the provisions of the Finance Documents

8 7 Voting rights after enforcement

- (A) Following the occurrence of an Enforcement Event, the Security Trustee or its nominee may exercise or refrain from exercising
 - (1) any voting rights, and
 - (2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investments, any person who is the holder of any Investments or otherwise,

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of that Chargor and irrespective of any direction given by that Chargor

- (B) To the extent that the Investments remain registered in the name of a Chargor, that Chargor irrevocably appoints the Security Trustee or its nominee as its proxy to exercise all voting rights in respect of those Investments at any time after this Security has become enforceable
- (C) Each Chargor shall indemnify the Security Trustee against any loss or liability incurred by the Security Trustee as a consequence of the Security Trustee acting in respect of Investments on the direction of the Chargor

8 8 Clearance systems

- (A) Each Chargor shall, if so requested by the Security Trustee:
 - (1) instruct any clearance system to transfer any investment held by it for the Chargor or its nominee to an account of the Security Trustee or its nominee with that clearance system, and
 - (2) take whatever action the Security Trustee may request for the dematerialisation or rematerialisation of any Investments held in a clearance system
- (B) Without prejudice to the rest of this Clause the Security Trustee may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary

8 9 Custodian arrangements

Each Chargor shall

- (A) promptly give notice of this Deed to any custodian of any Investments in any form which the Security Trustee may reasonably require, and
- (B) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Trustee may reasonably require

9 Intellectual property

9 1 Representations

Each Chargor represents and warrants to the Security Trustee for the benefit of each Finance Party that

- (A) it is the sole legal and beneficial owner of or has licensed to it on the terms set out in the Master License Agreement all Intellectual Property which is material to its business and which is required by it in order to carry on its business as it is being conducted, and
- (B) it has taken all formal or procedural actions (including payment of fees) required to maintain any Intellectual Property owned by it (provided that this shall not create an obligation to register any Intellectual Property owned by any Obligor arising by virtue of the Master Licence Agreement in any registry in which it is not currently registered)

9 2 Preservation

- (A) Each Chargor shall
- (1) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business,
 - (2) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property,
 - (3) make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property in full force and effect and record its interest in that Intellectual Property,
 - (4) not use or permit its Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of its Intellectual Property or imperil its right to use such property, and
 - (5) not discontinue the use of its Intellectual Property
- (B) Each Chargor shall promptly, if requested to do so by the Security Trustee, sign or procure the signature of, and comply with all instructions of the Security Trustee in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed

10 Book debts

- (A) Each Chargor shall get in and realise its
- (1) securities to the extent held by way of temporary investment,
 - (2) book and other debts and other moneys owed to it, and
 - (3) royalties, fees and income of any nature owed to it,
- in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with paragraph (B) below but subject always to the Security created by or expressed to be created by this Deed) on trust for the Security Trustee
- (B) Each Chargor shall, except to the extent that the Security Trustee otherwise agrees, pay all the proceeds of the getting in and realisation
- (1) prior to the occurrence of a Relevant Event, into any of its normal trading accounts opened with the Security Trustee, or such other account as agreed between the relevant Chargor and the Security Trustee, and
 - (2) following the occurrence of a Relevant Event, into such other account with the Security Trustee as designated by the Security Trustee

11 Bank accounts

11.1 Restrictions on accounts

No Chargor shall have any accounts other than those specified in schedule 5 (*Accounts*) and those designated in writing from time to time by the Security Trustee to the relevant Chargor

11.2 Withdrawals from accounts

- (A) No Chargor shall withdraw any moneys (including interest) standing to the credit of any of its accounts other than
 - (1) with the prior consent of the Security Trustee, or
 - (2) (until the Security Trustee gives notice to the contrary following the occurrence of an Enforcement Event) in the ordinary course of business from any operating or current account designated as such in writing from time to time by the Security Trustee to the relevant Chargor
- (B) The Security Trustee (or a Receiver) may withdraw amounts standing to the credit of any of a Chargor's accounts

11.3 Notices of charge

- (A) Other than as agreed prior to the date of this Deed, each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each bank or financial institution at which a Chargor maintains any of its accounts
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in paragraph 11.3(A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

12 Contracts

12.1 Representations

Each Chargor represents and warrants to the Security Trustee for the benefit of each Finance Party that

- (A) all payments to it by any other party to any of its Assigned Contracts are not subject to any right of set-off or similar right,
- (B) each of its Assigned Contracts is its legally binding, and enforceable obligation,
- (C) it is not in default of any of its material obligations under any of its Assigned Contracts,
- (D) there is no prohibition on assignment in any of its Assigned Contracts, and
- (E) its entry into and performance of this Deed will not conflict with any term of any of its Assigned Contracts

12.2 Documents

Each Chargor shall promptly deliver to the Security Trustee executed originals of all Assigned Contracts as now in effect and as requested by the Security Trustee and shall promptly deliver such other documents relating to the Assigned Contracts as the Security Trustee reasonably requires

12.3 No variation etc

No Chargor shall

- (A) amend, vary or waive (or agree to amend, vary or waive) any provision of any Assigned Contract exercise any right to rescind, cancel or terminate any Assigned Contract release any counterparty from any obligations under any Assigned Contract,
- (B) waive any breach by any counterparty to an Assigned Contract or consent to any act or omission which would otherwise constitute such a breach of an Assigned Contract, or
- (C) novate, transfer or assign any of its rights under any Assigned Contract.

12.4 Breach

Each Chargor shall notify the Security Trustee of any breach of or default under an Assigned Contract by it or any other party and any right of it or any other party arising to terminate or rescind an Assigned Contract promptly on becoming aware of the same

12.5 Performance of Obligations

Each Chargor shall promptly provide the Security Trustee with any information it reasonably requires in relation to any Assigned Contract

12.6 Rights

- (A) Subject to the rights of the Security Trustee under paragraph (B) below, Each Chargor must diligently pursue its rights under each of its Assigned Contracts, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default
- (B) At any time when an Enforcement Event is continuing, the Security Trustee may exercise (without any further consent or authority on the part of a Chargor and irrespective of any direction given by a Chargor) any of that Chargor's rights under its Assigned Contracts

12.7 Notices of charge or assignment

- (A) Following a request by the Security Trustee, each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each counterparty to an Assigned Contract
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in paragraph 12.7(A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

13 Plant and machinery

13 1 Maintenance

Each Chargor shall keep its plant and machinery in good repair and in good working order and condition

13 2 Nameplates

- (A) At any time, in respect of any Relevant Plant or Machinery, and
- (B) following the occurrence of a Relevant Event, in respect of any other plant or machinery,

each Chargor shall take any action which the Security Trustee may reasonably request to evidence the interest of the Security Trustee in its plant and machinery, this includes fixing a nameplate on its plant and machinery in a prominent position stating that

- (A) the plant and machinery is charged in favour of the Security Trustee, and
- (B) the plant and machinery must not be disposed of without the prior consent of the Security Trustee

14 Insurances

14 1 Rights

- (A) Subject to the rights of the Security Trustee under paragraph (B) below, each Chargor shall diligently pursue its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default
- (B) The Security Trustee may exercise (without any further consent or authority on the part of a Chargor and irrespective of any direction given by any Chargor) any of the rights of a Chargor in connection with any amounts payable to it under any of its Insurances
- (C) Each Chargor must take such steps (at its own cost) as the Security Trustee may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor
- (D) Each Chargor must hold any payment received by it under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest on trust for the Security Trustee

14 2 Notices of charge or assignment

- (A) Promptly following the occurrence of a Relevant Event, each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each of its insurers
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in paragraph 14 2(A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

15 **Representations**

Each Chargor represents and warrants to the Security Trustee for the benefit of each Finance Party that, subject to the Security created under the Existing Security Agreement

(A) this Deed

- (1) creates (or, once entered into, will create) in favour of the Security Trustee, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have,
- (2) is not subject to any prior or *par passu* ranking Security, and
- (3) is not liable to be avoided or set aside on its liquidation, administration or otherwise, and

(B) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed

16 **Enforcement**

16.1 **When enforceable**

The Security created or expressed or to be created by this Deed shall be immediately enforceable if an Enforcement Event occurs

16.2 **Power of sale**

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed

16.3 **Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

16.4 **Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

16.5 **No liability as mortgagee in possession**

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

16.6 **Privileges**

The Security Trustee, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (restricting the power of sale) does not apply.

16 7 No duty to enquire

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

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or
- (D) as to the application of any money borrowed or raised

16 8 Protection to purchasers

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any Receiver or any Delegate

16 9 Financial collateral arrangements

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "**Regulations**") apply to any Charged Property the Security Trustee shall have the right to appropriate any Charged Property which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities. The value of any Charged Property appropriated in accordance with this Clause shall be, in the case of cash, the amount of the cash appropriated, and, in the case of any Investments, their market value as determined by the Security Trustee by reference to a public index, independent valuation or by such other process as the Security Trustee may select (acting reasonably). Each Chargor agrees that the method of valuation provided for in this Clause is commercially reasonable for the purposes of the Regulations.

17 Receiver

17 1 Appointment of receiver

- (A) The Security Trustee may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if
 - (1) an Enforcement Event occurs, or
 - (2) requested to do so by the Chargor
- (B) Any appointment under paragraph (A) above may be by deed, under seal or in writing under hand

17.2 Removal

The Security Trustee may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated

17.3 Remuneration

The Security Trustee may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply

17.4 Agent of Chargor

- (A) Any Receiver will be deemed to be the agent of the Chargor for all purposes. Each Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver
- (B) No Finance Party will incur any liability (either to a Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons

17.5 Security Trustee's rights

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Trustee, whether or not the Security Trustee shall have taken possession or appointed a Receiver of the Charged Property

18 Powers of Receiver

18.1 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, including all the rights, powers and discretions conferred on a receiver under the Act and a receiver or an administrative receiver under 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

18.2 Possession

A Receiver may take immediate possession of, get in and collect any Charged Property

18.3 Carry on business

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

18.4 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 a Chargor.

18 5 Borrow money

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

18 6 Sale of assets

(A) A Receiver may sell, exchange, convert into money and realise any Charged Property 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 fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the property containing them without the consent of a Chargor

18 7 Leases

A Receiver may let any Charged Property 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 Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender)

18 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 a Chargor or relating in any way to any Charged Property

18 9 Legal actions

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

18 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 Charged Property

18 11 Subsidiaries

A Receiver may form a Subsidiary of a Chargor and transfer to that Subsidiary any Charged Property

18 12 Delegation

A Receiver may delegate his powers in accordance with this Deed

18 13 Lending

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

18 14 Protection of assets

A Receiver may

- (A) effect any repair or insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property,
- (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

18 15 Other powers

A Receiver may

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property 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 Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property, and
- (C) use the name of a Chargor for any of the above purposes

19 Power of attorney

19 1 Appointment

Each Chargor by way of security irrevocably appoints the Security Trustee, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise as such time and in such manner as the attorney may think fit

- (A) to do anything which that Chargor is obliged to do under any Finance Document, and
- (B) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986

19 2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause

20 **Tacking**

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

21 **Delegation**

21 1 **Delegate and sub-delegates**

The Security Trustee 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

21 2 **Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Trustee or any Receiver thinks fit

21 3 **Liability**

Neither the Security Trustee nor any Receiver will be in any way liable or responsible to a Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

22 **Preservation of security**

22 1 **Reinstatement**

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

22 2 **Waiver of defences**

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or any Finance Party) including

- (A) any time, waiver or consent granted to, or composition with, any Chargor or other person,
- (B) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any other person,
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Chargor or any other person,

- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings

22.3 Immediate recourse

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

22.4 Appropriations

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no chargor shall be entitled to the benefit of the same, and
- (B) hold in an interest-bearing suspense account any moneys received from a Chargor or on account of a Chargor's liability under this Deed

22.5 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Trustee otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed

- (A) to be indemnified by a Chargor or any other person,
- (B) to claim any contribution from any other guarantor of a Chargor's obligations under the Finance Documents,
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which a Chargor has given a guarantee, undertaking or indemnity under any other Finance Document,
- (E) to exercise any right of set-off against any Chargor or other person, and/or

- (F) to claim or prove as a creditor of any Chargor or other person in competition with any Finance Party

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with clause 32 (*Payment mechanics*) of the Facility Agreement

23 Enforcement expenses

23 1 Enforcement expenses

Each Chargor shall, within three Business Days of demand, pay to the Security Trustee the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Trustee, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Security created or expressed to be created in favour of the Security Trustee by this Deed and any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the Security created or expressed to be created in favour of the Security Trustee by this Deed or enforcing these rights

23 2 Value added tax

Clause 14 7 (*Value added tax*) of the Facility Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes

24 Changes to the Parties

24 1 Assignments and transfer by the Chargors

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed

24 2 Assignment and transfer by the Finance Parties

Any Finance Party may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement.

25 Payments

25 1 Payments

All payments by a Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Trustee may direct

25 2 Continuation of accounts

- (A) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of a Chargor, any Finance Party may open a new account in the name of that Chargor (whether or not it permits any existing account to continue)
- (B) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred
- (C) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities

25 3 Order of distributions

All amounts received or recovered by the Security Trustee or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order

- (A) **first**, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it,
- (B) **second**, in or towards payment of the Secured Liabilities in accordance with clause 7 (*Repayment*) of the Facility Agreement, and
- (C) **third**, in payment of any surplus to the relevant Chargor or other person entitled to it

25 4 No set-off by Chargors

All payments to be made by a Chargor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim

25 5 Business Days

- (A) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not)
- (B) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date

25 6 Currency of account

- (A) Subject to paragraphs (B) and (D) below, the Base Currency is the currency of account and payment for any sum due from a Chargor under any Finance Document
- (B) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued
- (C) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred

- (D) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in that other currency

26 Release of Security

26 1 Release

At the end of the Security Period the Security Trustee shall at the request and cost of the Chargors, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed.

26 2 Retention

If the Security Trustee considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have irrevocably paid

27 Counterparts

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

28 Governing Law

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

29 Enforcement

29 1 Jurisdiction

- (A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non contractual obligations arising out of or in connection with this Deed) (a "**Dispute**")
- (B) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (C) This Clause 29 1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions

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

SCHEDULE 1: THE ORIGINAL CHARGORS

Name of Chargor	Jurisdiction of incorporation or establishment	Registration number
Lush Cosmetics Limited	England and Wales	04162033
Lush LTD	England and Wales	02940032
Lush Retail Limited	England and Wales	03084750
Lush Manufacturing Limited	England and Wales	03327905

SCHEDULE 2: MORTGAGED PROPERTY

[Intentionally left blank]

SCHEDULE 3: INVESTMENTS

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
Lush Retail Limited	N/A	Ordinary Shares	8,172
Lush LTD	N/A	Ordinary Shares	11,976
Lush Manufacturing Limited	N/A	Ordinary Shares	2

SCHEDULE 4: ASSIGNED CONTRACTS

[Intentionally left blank]

SCHEDULE 5: ACCOUNTS

Account number	Sort code	Bank or financial institution
Lush LTD 20261799	165810	Tnodos Bank
Lush Retail Limited 02381524	900720	Santander Bank
Lush LTD 00001933	301557	Lloyds Bank plc

SCHEDULE 6: INTELLECTUAL PROPERTY

[Intentionally left blank]

SCHEDULE 7: PLANT AND MACHINERY

[Intentionally left blank]

SCHEDULE 8 NOTICE TO BANK HOLDING AN ACCOUNT

PART 1. NOTICE OF CHARGE

To [Account Bank]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] between [•] as chargor[[each of the companies listed at the end of this notice] and [•] as Security Trustee (the "**Security Trustee**") we have charged by way of first fixed charge in favour of the Security Trustee (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our rights in respect of any amount standing to the credit of any account maintained by us with you at any of your branches (the "**Account[s]**") and the debts represented by those Account[s]

We irrevocably instruct and authorise you to.

- (A) disclose to the Security Trustee any information relating to the Account[s] requested from you by the Security Trustee,
- (B) comply with the terms of any written notice or instruction relating to the Account[s] received by you from the Security Trustee,
- (C) hold all sums standing to the credit of the Account[s] to the order of the Security Trustee, and
- (D) pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Security Trustee

We are not permitted to withdraw any amount from the Account[s] without the prior written consent of the Security Trustee

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

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Trustee

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Account[s] as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Trustee at [•], marked for the attention of [•]

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we:

- (A) will 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 Account[s];
- (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 Account[s], and
- (D) will not permit any amount to be withdrawn from the Account[s] without the prior written consent of the Security Trustee

For and on behalf of
[bank]

Date

SCHEDULE 9: NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To [Counterparty]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] between [[•] as chargor][each of the companies listed at the end of this notice and [•] as Security Trustee (the "**Security Trustee**") we have assigned to the Security Trustee (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to [describe agreement] (the "**Agreement**")

We will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement. None of the Security Trustee, 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 Agreement.

We will be entitled to exercise all of its rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Security Trustee to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Trustee or as it directs.

Please note that we have agreed not to amend, waive or vary any provision of or terminate the Agreement without the prior consent of the Security Trustee.

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions.

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

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Agreement as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Trustee at [•], marked for the attention of [•].

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Agreement.

For and on behalf of
[The Counterparty]

Date

SCHEDULE 10: NOTICE TO INSURERS

To [The Insurers]

Address [•]

[Date]

Dear Sirs

This letter constitutes notice to you that under a security agreement dated [•] between [[•] as chargor][each of the companies listed at the end of this notice and [•] as Security Trustee (the "**Security Trustee**") we have assigned to the Security Trustee (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and any contract of insurance taken out with you by or on behalf of us or under which we have a right to claim (the "**Insurances**")

- 1 All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Lender to the contrary, in which event you should make all future payments as then directed by the Lender
- 2 Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
 - 2 1 directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, or
 - 2 2 (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Security Trustee
- 3 This authority and instruction is irrevocable without the prior written consent of the Security Trustee

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Trustee at [•], marked for the attention of [•]

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or notice that any other person claims any rights in respect of the Insurances.

For and on behalf of
[The Insurer]

Date

SCHEDULE 11: FORM OF DEED OF ACCESSION

THIS DEED is dated [•]

and made

BETWEEN:

- (1) [•] (registered number [•]) (the "**Additional Chargor**"),
- (2) [•] ([for itself and]¹ as agent² for each of the [other]³ Chargors under and as defined in the Security Agreement referred to below (the "**Company**"), and
- (3) **BARCLAYS BANK PLC**, (the "**Security Trustee**" which expression includes its successors and assigns as security agent and security trustee for the Finance Parties)

BACKGROUND:

- (A) The Additional Chargor is a [wholly-owned] Subsidiary of [the Company]
- (B) The [Company] has entered into a security agreement dated [•] (the "**Security Agreement**") between the Company, the Chargors under and as defined in the Security Agreement and the Security Trustee
- (C) The Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Security Agreement
- (D) 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

- (A) Terms defined in the Security Agreement have the same meaning in this Deed unless given a different meaning in this Deed
- (B) The other provisions of clause 1 2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) This Deed is a Finance Document

2 Accession

With effect from the date of this Deed the Additional Chargor

- (A) will become a party to the Security Agreement as a Chargor,
- (B) will make all of the representations and warranties set out in the Security Agreement which are expressed to be made by a Chargor, and

¹ Delete if the Company is not a Chargor

² If the Facility Agreement contains an Obligor's clause, it does not allow the Company to enter into deeds on behalf of the Chargors. If the Company is to enter into deeds on behalf of other chargers then the Obligors' agent clause should be in a deed

³ Delete if the Company is not a Chargor

- (C) will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor

3 Creation of Security

3.1 Security generally

All the Security created, or expressed to be created, under this Deed

- (A) is created in favour of the Security Trustee,
- (B) is created over the present and future assets of the Additional Chargor;
- (C) is security for the payment of all the Secured Liabilities, and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3.2 Land

- (A) The Additional Chargor charges
 - (1) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it and all rights under any licence or other agreement or document which gives it a right to occupy or use that property, including the freehold or leasehold property (if any) specified in part 1 of the Schedule to this Deed, and
 - (2) (to the extent that they are not the subject of a legal mortgage under paragraph (A)(1) above) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives it a right to occupy or use that property
- (B) [The Additional Chargor assigns absolutely to the Security Trustee all of its rights and interests in and to each [Lease Document] (including all [Rental Income] and in respect of any guarantee of [Rental Income] contained in or relating to any [Lease Document])]
- (C) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes
 - (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
 - (2) the benefit of any covenants for title given or entered into by any predecessor in title of the Additional Chargor in respect of that property or any moneys paid or payable in respect of those covenants

3 3 Investments

- (A) The Additional Chargor charges by way of a [first legal mortgage][first fixed charge]⁴ all of its rights and interests in the Investments
- (B) A reference in this Deed to any mortgage or charge of any Investments includes
- (1) any dividend or interest paid or payable in relation to it,
 - (2) 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,
 - (3) any right against any clearance system in relation to it[including any right against CREST],⁵ and
 - (4) any right under any custodian or other agreement in relation to it [including any right which the Additional Chargor may have under any agreement with a "system-user" (as defined in the Uncertified Securities Regulations 2001) relating to the use of that system-user's account with CREST]⁶

3 4 Plant and machinery

The Additional Chargor charges by way of a first fixed charge all fixed and moveable plant and machinery owned by it (including any specified in Part 3 of the schedule to this Deed), its interest in any plant or machinery in its possession and the benefit of all related Authorisations, agreements and warranties

3 5 Credit balances

The Additional Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account (including but not limited to, any account contemplated by [the Facility Agreement or] this Deed⁷) it has in its name (or to which it is beneficially entitled) with any person and the debt represented by such account

3 6 Book debts etc.

The Additional Chargor charges by way of a first fixed charge:

- (A) all of its book and other debts,
- (B) all other moneys due and owing to it, and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (A) and (B) above

⁴ Amend depending on whether it is intended to take a legal mortgage (and register the Investments in the name of the Lender/Security Trustee or its nominee) or a fixed charge (supported by share certificates and blank stock transfer forms executed in blank)

⁵ Delete if no Investments are held in CREST

⁶ Delete if no Investments are held in CREST

⁷ If there are named or defined accounts ensure that they are referenced

3 7 Insurances

- (A) The Additional Chargor assigns absolutely to the Security Trustee 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
- (B) To the extent that they are not effectively assigned under paragraph (A) above, the Additional Chargor charges by way of first fixed charge all its rights and amounts described in paragraph (A) above

3 8 Intellectual Property

The Additional Chargor charges by way of first fixed charge all its Intellectual Property including any specified in Schedule 5 (*Intellectual Property*) [or in Part 5 of the schedule to the Deed of Accession by which it became a party to this Deed]

3 9 Authorisations

The Additional Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation

3 10 Pension fund

The Additional Chargor charges by way of first fixed charge any beneficial interest, claim or entitlement it has in any pension fund

3 11 Goodwill

The Additional Chargor charges by way of first fixed charge its goodwill

3 12 Uncalled capital

The Additional Chargor charges by way of first fixed charge its uncalled capital

3 13 Contracts

- (A) The Additional Chargor assigns absolutely to the Security Trustee all of its rights and interests under each Assigned Contract
- (B) To the extent that any such right described in paragraph (A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under paragraph (A) or (B) above, the Additional Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) [If the Additional Chargor assigns an agreement or document under this Deed (or charges it [by way of a first fixed charge]) and the assignment or charge breaches

a term of that agreement or document because a third party's consent has not been obtained

- (1) the Additional Chargor must notify the Security Trustee immediately,
- (2) [the assignment or charge will not take effect until that consent is obtained,]
- (3) unless the Security Trustee otherwise requires, the Additional Chargor shall[, and each other Chargor must ensure that the Additional Chargor will], use all reasonable endeavours to obtain the consent as soon as practicable, and
- (4) the Additional Chargor must promptly supply to the Security Trustee a copy of the consent obtained by it]

3 14 Floating charge

- (A) The Additional Chargor charges by way of first floating charge its undertaking and assets, both present and future not otherwise effectively mortgaged or charged under this Deed
- (B) The floating charge created by the Additional Chargor pursuant to paragraph (A) is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Trustee may appoint an administrator to the Additional Chargor pursuant to that paragraph
- (D) The Security Trustee may convert the floating charge created by this Deed [or any Deed of Accession] over all or any of the Charged Property into a fixed charge by notice to the Additional Chargor specifying the relevant Charged Property (either specifically or generally)
 - (1) while an Enforcement Event is continuing, and/or
 - (2) if the Security Trustee [(acting in good faith)] considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
 - (1) the Additional Chargor takes any step to create any Security in breach of Clause 6 1 (*Security*) of the Security Agreement over any of the Charged Property not subject to a mortgage or fixed charge,
 - (2) an administrator is appointed or the Security Trustee receives notice of an intention to appoint an administrator in respect of the Additional Chargor, or
 - (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,

the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge

4 **Miscellaneous**

With effect from the date of this Deed

- (A) the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed);
- (B) any reference in the Security Agreement to this Deed and similar phrases will include this Deed and all references in the Security Agreement to Schedule 2 (or any part of it) will include a reference to the schedule to this Deed (or relevant part of it), and
- (C) the Company, [for itself and]⁸ as agent for each of the [other]⁹ Chargors under the Security Agreement, agrees to all matters provided for in this Deed

5 **Governing law**

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed

⁸ Delete if the Company is not a Chargor
⁹ Delete if the Company is not a Chargor

SCHEDULE

PART 1: MORTGAGED PROPERTY

Freehold/Leasehold	Title number	Description
[•]	[•]	[•]

PART 2: Investments

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

PART 3: PLANT AND MACHINERY

Description

[•]

PART 4: ASSIGNED CONTRACTS

Date	Parties	Description
[•]	[•]	[•]

PART 5: INTELLECTUAL PROPERTY

Description

[•]

PART 6: [BLOCKED] ACCOUNTS

Account number	Sort code	Bank or financial institution
[•]	[•]	[•]

PART 7: [OPERATING ACCOUNTS]

Account number	Sort code	Bank or financial institution
[•]	[•]	[•]

EXECUTION PAGE TO DEED OF ACCESSION

The Additional Chargor

EXECUTED as a DEED by)
[•])
acting by)

Director

Witness Details:

Witness signature

Witness name

Witness address

Witness occupation

Notice Details:

Address

Fax No

Telephone No

Attention

The Company

EXECUTED as a DEED by)
[•] ([for itself and]¹⁰ as agent)
for each of the [other]¹¹ Chargors)
party to the Security Agreement)
referred to in this Deed))
acting by)

Director

Witness Details:

Witness signature

Witness name

Witness address

Witness occupation

Notice Details:

Address

Fax No

Telephone No

Attention

¹⁰ Delete if the Company is not a Chargor
¹¹ Delete if the Company is not a Chargor

The Security Trustee

EXECUTED as a DEED by)
BARCLAYS BANK PLC)
acting by)

Authorised Signatory

Witness Details:

Witness signature

Witness name

Witness address

Witness occupation

Notice Details:

Address

Fax No

Telephone No

Attention

SCHEDULE 12: FORM OF SUPPLEMENTAL MORTGAGE

THIS DEED is dated [•]

and made

BETWEEN:

- (1) [•] (registered number [•]) (the "Chargor"), and
- (2) **BARCLAYS BANK PLC**, (the "Security Trustee" which expression includes its successors and assigns as security agent and security trustee for the Finance Parties)

BACKGROUND:

- (A) The Chargor has entered into a security agreement dated [•] 20[•] (the "Security Agreement") between[, amongst others,] the Chargor and the Security Trustee
- (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

- (A) Terms defined in the Security Agreement have the same meaning in this Deed unless given a different meaning in this Deed
- (B) The other provisions of clause 1 2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) This Deed is a Finance Document

2 Creation of Security

2 1 **Security generally**

All the Security created, or expressed to be created, under this Deed [or any Deed of Accession]

- (A) is created in favour of the Security Trustee,
- (B) is created over the present and future assets of the Chargor;
- (C) is security for the payment of all the Secured Liabilities, and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

2 2 **Land**

- (A) The Chargor charges;
 - (1) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that

property, including the freehold or leasehold property (if any) specified in Schedule 1 (*Mortgaged Property*), and

- (2) (to the extent that they are not the subject of a legal mortgage under paragraph 3 2(A)(1) above) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property
- (B) The Chargor assigns absolutely to the Security Trustee all of its rights and interests in and to each Lease Document (including all Rental Income and in respect of any guarantee of Rental Income contained in or relating to any Lease Document)
- (C) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes
 - (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
 - (2) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants

2 3 Insurances

- (A) The Chargor assigns absolutely to the Security Trustee 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
- (B) To the extent that they are not effectively assigned under paragraph (A) above, the Chargor charges by way of first fixed charge all its rights and amounts described in paragraph 3 7(A) above

2 4 Contracts

- (A) The Chargor assigns absolutely to the Security Trustee all of its rights and interests under each Assigned Contract
- (B) To the extent that any such right described in paragraph 3 4(A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph 3 4(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under paragraph 3 4(A) or 3 4(B) above, the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) [If the Chargor assigns an agreement or document under this Deed (or charges it [by way of a first fixed charge]) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
 - (1) the Chargor must notify the Security Trustee immediately,

- (2) [the assignment or charge will not take effect until that consent is obtained,]
- (3) unless the Security Trustee otherwise requires, the Chargor shall, use all reasonable endeavours to obtain the consent as soon as practicable, and
- (4) the Chargor must promptly supply to the Security Trustee a copy of the consent obtained by it]

3 Miscellaneous

With effect from the date of this Deed any reference in the Security Agreement to this Deed and similar phrases will include this Deed and all references in the Security Agreement to Schedule 2 (or any part of it) will include a reference to the schedule to this Deed (or relevant part of it).

4 Governing law

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed

SCHEDULE

PART 1: MORTGAGED PROPERTY

Freehold/Leasehold	Title number	Description
[•]	[•]	[•]

PART 2. ASSIGNED CONTRACTS

Date	Parties	Description
[•]	[•]	[•]

EXECUTION PAGE TO SUPPLEMENTAL MORTGAGE

The Chargor

EXECUTED as a DEED by)
[•])
acting by)

Director

Witness Details:

Witness signature

Witness name

Witness address

Witness occupation

Notice Details:

Address

Fax No

Telephone No

Attention

The Security Trustee

EXECUTED as a DEED by)
BARCLAYS BANK PLC)
acting by)

Authorised Signatory

Witness Details:

Witness signature

Witness name

Witness address

Witness occupation

Notice Details:

Address

Fax No

Telephone No

Attention

SCHEDULE 13: NOTICE TO TENANTS

[On the letterhead of the Chargor]

To [Tenant]

[Date]

Dear Sirs,

Re: [Property]

This letter constitutes notice to you that under a security agreement dated [•] between [•] as chargor[each of the companies listed at the end of this notice and [•] as Security Trustee (the "Security Trustee") we have assigned to the Security Trustee (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to [describe lease] (the "Lease Document")

We irrevocably instruct and authorise you to pay any rent payable by you under the Lease Document to our account on receipt of written notice from the Security Trustee that the security under the security agreement has become enforceable (the "Rent Account")

We will remain liable under the Lease Document to perform all the obligations assumed by us under the Lease Document. None of the Security Trustee, 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 Lease Document

Please note that we have agreed not to amend, waive or vary any provision of or terminate the Lease Document without the prior consent of the Security Trustee

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions

The instructions in this letter apply until you receive notice from the Security Trustee to the contrary and notwithstanding any previous instructions given by us

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

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Trustee at [•], marked for the attention of [•]

Yours faithfully,

For and on behalf of

[•]

as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms
We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Lease Document

We accept the instructions contained in the notice

We confirm that we

- (a) have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease Document (as defined in the notice), and
- (b) must pay all rent and all other monies payable by us under the Lease Document into the Rent Account (as defined in the notice), and
- (c) must continue to pay those monies into the Rent Account until we receive your written instructions to the contrary

For and on behalf of

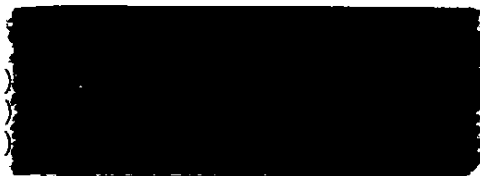
[The Tenant]

Date

EXECUTION PAGE TO SECURITY AGREEMENT

The Original Chargors

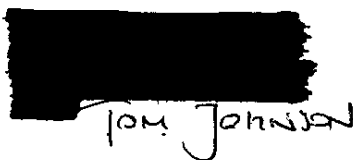
EXECUTED as a DEED by
LUSH COSMETICS LIMITED
acting by
MARK CONSTANTINE



Director

Witness Details:

Witness signature



Witness name

Witness address

Bond Dickinson LLP

Oceana House

39/49 Commercial Road

Southampton SO15 1GA

Witness occupation

Solicitor

Notice Details:

Address

29 High Street
Poole
Dorset
BH15 1AB

Fax No

+44 1202 661832

Telephone No

+44 1202 667830

Attention

Mike Bishop


EXECUTED as a DEED by
LUSH LTD.
acting by
MARK CONSTANTINE

)
)
)


Director

Witness Details:

Witness signature


Tom Johnson

Witness name

Witness address:

Bond Dickinson LLP

Oceana House

39/49 Commercial Road

Southampton SO15 1GA

Witness occupation:

Solicitor

Notice Details.

Address

29 High Street
Poole
Dorset
BH15 1AB

Fax No

+44 1202 661832

Telephone No

+44 1202 667830

Attention

Mike Bishop

EXECUTED as a DEED by
LUSH RETAIL LIMITED
acting by

MARK CONSTANTINE

)
)
)

[REDACTED]

Director

Witness Details:

Witness signature

[REDACTED]

Witness name

Tom Johnson

Witness address

Bond Dickinson LLP

Oceana House

39/49 Commercial Road

Southampton SO15 1GA

Witness occupation

Solicitor

Notice Details:

Address

29 High Street
Poole
Dorset
BH15 1AB

Fax No

+44 1202 661832

Telephone No

+44 1202 667830

Attention

Mike Bishop

EXECUTED as a DEED by)
LUSH MANUFACTURING LIMITED)
acting by)

MARGARET CONSBANTING

Director



Witness Details:

Witness signature

Witness name

Witness address:

Bond Dickinson LLP

Oceana House

39/49 Commercial Road

Southampton SO15 1GA

Witness occupation

Solicitor

[Redacted signature]
Jon Johnson

Notice Details:

Address

29 High Street
Poole
Dorset
BH15 1AB

Fax No

+44 1202 661832

Telephone No

+44 1202 667830

Attention

Mike Bishop

The Security Trustee

EXECUTED as a DEED by
BARCLAYS BANK PLC
acting by
Isanna Devine

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)
)



Authorised Signatory

Witness Details:

Witness signature:



Witness name

Art Doganer

Witness address.

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Witness occupation

Banker

Notice Details:

Address	1 Churchill Place London E14 5HP
Fax No	+44 020 7116 7639
Telephone No	+ 44 (0)7775 543006
Attention	Mark Fletcher