



Registration of a Charge

Company name: **TESLA MOTORS LIMITED**

Company number: **04384008**

Received for Electronic Filing: **23/12/2020**



X9KHQ7O9

Details of Charge

Date of creation: **23/12/2020**

Charge code: **0438 4008 0004**

Persons entitled: **DEUTSCHE BANK AG NEW YORK BRANCH**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4384008

Charge code: 0438 4008 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd December 2020 and created by TESLA MOTORS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2020 .

Given at Companies House, Cardiff on 30th December 2020

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 23 December **2020**

TESLA MOTORS LIMITED

as the Original Chargor

and

DEUTSCHE BANK AG NEW YORK BRANCH

as Collateral Agent

SECURITY AGREEMENT

SIMPSON THACHER & BARTLETT LLP
LONDON

Certified that, save for material redacted pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Simpson Thacher & Bartlett LLP

23 December 2020

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THIS DEED is made on 23 December 2020

BETWEEN:

- (1) TESLA MOTORS LIMITED, a company incorporated in England and Wales with registered number 04384008 and having its registered office at 197 Horton Road, West Drayton, England UB7 8JD (the “Original Chargor”); and
- (2) DEUTSCHE BANK AG NEW YORK BRANCH as collateral agent for the banks and other financial institutions or entities from time to time parties to the Credit Agreement (as defined below) (in such capacity, the “Collateral Agent”).

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

- (a) terms defined in, or construed for the purposes of the Credit Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and

- (b) at all times the following terms have the following meanings:

“Accession Deed” means an accession deed substantially in the form set out in Schedule 5 (*Form of Accession Deed*);

“Account Control Agreement” means an account notice set out in Schedule 4 (*Form of Notice and Acknowledgement of assignment*) or in such other form as the Collateral Agent may agree, acting reasonably, which has been acknowledged and countersigned by the relevant UK Collection Bank.

“Account Control Event” means any time during a Dominion Period;

“Administrative Agent” means Deutsche Bank AG New York Branch in its capacity as Administrative Agent under, and as defined in, the Credit Agreement;

“Act” means the Law of Property Act 1925;

“Assigned Assets” means all property and assets from time to time assigned (or expressed to be assigned) pursuant to Clause 4.2 (*Security assignments*);

“Business Day” has the meaning given to that term in the Credit Agreement;

“Charged Accounts” means each Core UK Deposit Account including, without limitation, the accounts specified in Schedule 1 (*Details of Security Assets*) or in the schedule of any Accession Deed and/or such other accounts as the Collateral Agent and the relevant Chargor shall agree from time to time (acting reasonably and taking into account the provisions of Clause 8 (*Excluded Assets*)), in each case together with any replacements account or subdivision or sub-account of any such account;

“Chargor Intellectual Property Rights” means all Intellectual Property Rights owned by Chargor, or licensable or sublicensable by Chargor without payment of any material consideration to any third party;

“Chargors” means:

- (a) the Original Chargor; and
- (b) any other company which accedes to this Deed pursuant to an Accession Deed;

“Company” means Tesla, Inc. a Delaware corporation;

“Credit Agreement” means the Amended and Restated ABL Credit Agreement, dated as of March 6, 2019 (as amended by the First Amendment to Amended and Restated ABL Credit Agreement, dated on or about the date of this Deed) between, among others, the Company as a borrower, Tesla Motors Netherlands B.V., as a borrower, the banks and other financial institutions or entities from time to time parties thereto as lenders and the Collateral Agent;

“Credit Documents” has the meaning given to that term in the Credit Agreement;

“Credit Party” has the meaning given to that term in the Credit Agreement;

“Delegate” means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Collateral Agent or by a Receiver;

“Dominion Period” has the meaning given to that term in the Credit Agreement;

“Equipment” means any “equipment” as such term is defined in the Uniform Commercial Code as in effect on the date hereof in the State of New York, and in any event, shall include, but shall not be limited to, all machinery, equipment, furnishings and fittings now or hereinafter owned by any Chargor, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto;

“Event of Default” has the meaning given to that term in the Credit Agreement;

“Fixed Security Assets” means all property and assets from time to time mortgaged or charged (or expressed to be mortgaged or charged) pursuant to Clause 4.1 (*Fixed Charges*);

“General Intangibles” means “general intangibles” as such term is defined in the Uniform Commercial Code as in effect on the date hereof in the State of New York; and

“Group” means the Company and each of its Subsidiaries;

“Indemnitee” has the meaning given to that term in Clause 25.1 (*Indemnity*);

“Insurances” means the benefits arising from all policies of insurance either now or in the future held by, or written in favour of, a Chargor or in which it is otherwise interested, in each case to the extent covering any Security Asset, but excluding any third party liability insurance, public liability insurance and any directors’ and officers’ insurance;

“Intellectual Property Rights” means any and all rights, anywhere in the world, related to, associated with or constituting;

- (a) patents, patent applications and patent rights;
- (b) works of authorship, including copyrights, copyright applications, copyright registrations, mask work rights, mask work applications and mask work registrations;
- (c) trade secrets, know-how, inventions, methods, processes, data, software (including source code and object code) and confidential information;
- (d) trademarks, service marks and trade names, trade dress, logos, designs, fictitious business names, domain names, social media and mobile identifiers and other business identifiers and other designations of origin (“Trademarks”);
- (e) any right analogous to those set forth in this definition and any other intellectual property rights or proprietary rights anywhere in the world; and
- (f) registrations, recordations, applications, divisionals, continuations, continuations-in-part, renewals, reissues and extensions of the foregoing (as and to the extent applicable);

“**Inventory**” means all merchandise, inventory and goods, and all additions, substitutions and replacements thereof and all accessions thereto, wherever located, together with all goods, supplies, incidentals, packaging materials, labels, materials and any other items used or usable in manufacturing, processing, packaging or shipping same, in all stages of production from raw materials through work in process to finished goods, and all products and proceeds of whatever sort and wherever located any portion thereof which may be returned, rejected, reclaimed or repossessed by the Collateral Agent from any Chargor’s customers, and shall specifically include all “inventory” as such term is defined in the Uniform Commercial Code as in effect on the date hereof in the State of New York;

"Legal Reservations" means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and
- (c) the principle that in certain circumstances Security granted by way of fixed charge may be re-characterised as a floating charge or that Security purported to be constituted by an assignment may be re-characterised as a charge;
- (d) the principle that any provision for the payment of compensation or additional interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;
- (e) the principle that an English court may not give effect to a provision dealing with the cost of litigation where the litigation is unsuccessful or the court itself has made an order for costs;

- (f) the principle that the creation or purported creation of Security over any contract or agreement which is subject to a prohibition on transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach of the contract or agreement over which such security has been granted;
- (g) the principle that the legality, validity, binding nature of enforceability of any Security which is not governed by the laws of the jurisdiction where the asset or assets purported to be secured under the relevant Security Document is situated may be flawed; and
- (h) similar principles, rights and defences under the laws of any Relevant Jurisdiction;

“**Limitation Acts**” means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984;

“**Non-Eligible Motor Vehicles**” shall mean all motor vehicles other than those constituting Eligible Inventory;

“**Original Jurisdiction**” means, in relation to an Original Chargor, the jurisdiction under whose laws that Original Chargor is incorporated as at the date of this Deed or, in the case of a Chargor which accedes to this Deed pursuant to an Accession Deed, as at the date on which that Chargor becomes Party as a Chargor;

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

“**Perfection Requirements**” means the making or procuring of appropriate registrations, filings, endorsements, notarisations, stampings and/or notifications of this Deed and/or Security expressed to be created under this Deed determined by the legal advisers to the Secured Creditors in any Relevant Jurisdiction for the enforceability or production in evidence of this Deed;

“**Permitted Encumbrance**” means any Quasi-Security or Security that is not prohibited by any Credit Document;

“**Quasi-Security**” means a transaction in which a Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising indebtedness or of financing the acquisition of an asset;

“**Receivables**” means all present and future book debts and other debts, rentals, royalties, fees, VAT, monetary claims, intercompany trading balances and all other amounts at any time recoverable or receivable by, or due or owing to, any Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (b) all proceeds of any of the foregoing;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Collateral Agent under this Deed and that term will include any appointee made under a joint and/or several appointment;

"Relevant Jurisdiction" means, in relation to a Chargor:

- (a) its Original Jurisdiction;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Security to be created by it is situated; and
- (c) any jurisdiction where it conducts its business;

"Secured Creditors" means the Collateral Agent, the Administrative Agent, the Lenders, each Issuing Lender and any Receiver or Delegate to which Secured Obligations are owed;

"Secured Obligations" means, with respect to any Chargor:

- (a) the full and prompt payment when due (whether at stated maturity, by acceleration or otherwise) of all obligations, liabilities and indebtedness (including, without limitation, principal, premium, interest, reimbursement obligations under Letters of Credit, cash collateralization of outstanding Letters of Credit, fees, costs and indemnities (including, without limitation, all interest, fees and expenses that accrue after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency, reorganization or similar proceeding of such Chargor at the rate provided for in the respective documentation, whether or not a claim for post-petition interest, fees or expenses is allowed in any such proceeding)) of such Chargor to the Secured Creditors, whether now existing or hereafter incurred under, arising out of, or in connection with, each Credit Document to which such Chargor is a party (including, without limitation, in the event such Chargor is a Guarantor, all such obligations, liabilities and indebtedness of such Chargor under its Guaranty) and the due performance and compliance by such Chargor with all of the terms, conditions and agreements contained in each such Credit Document;
- (b) any and all sums advanced by the Collateral Agent in order to preserve the Security Assets or preserve its security interest in the Security Assets;
- (c) in the event of any proceeding for the collection or enforcement of any indebtedness, obligations, or liabilities of such Chargor referred to in clauses (a) and (b) above, after an Event of Default shall have occurred and be continuing, the reasonable expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Security Assets, or of any exercise by the Collateral Agent of its rights hereunder, together with reasonable attorneys' fees and court costs;

- (d) all amounts paid by any Indemnatee as to which such Indemnatee has the right to reimbursement under Clause **Error! Reference source not found.** (*Indemnity*) of this Deed; and
- (e) all amounts owing to any Agent pursuant to any of the Credit Documents in its capacity as such,

it being acknowledged and agreed that the “**Secured Obligations**” shall include extensions of credit of the types described above, whether now existing or hereinafter incurred or extended from time to time after the date of this Deed;

“**Security**” means any mortgage, charge (fixed or floating), pledge, lien or other security interest securing any obligation of any person and any other agreement entered into for the purpose and having the effect of conferring security;

“**Security Assets**” means the Assigned Assets and the Fixed Security Assets;

“**Security Documents**” has the meaning given to that term in the Credit Agreement;

“**Security Period**” means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Creditor has any further commitment, obligation or liability under or pursuant to the Credit Documents; and

“**Trademarks**” has the meaning given to that term in the definition of “**Intellectual Property Rights**”.

1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of clause 1.02 (*Other Definitional Provisions*) of the Credit Agreement apply to this Deed as though they were set out in full in this Deed, except that references to “this Agreement” will be construed as references to this Deed.
- (b) Unless a contrary indication appears, any reference in this Deed to:
 - (i) a “**Chargor**” the “**Collateral Agent**” or any other “**Secured Creditor**” or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and in the case of the Collateral Agent, any person for the time being appointed as Collateral Agent or additional Collateral Agent or trustee in accordance with the Credit Documents;
 - (ii) “**this Deed**”, any “**Credit Document**” or any other agreement or instrument is a reference to this Deed, that Credit Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same

increases the obligations of any member of the Group or provides for further advances); and

- (iii) “Secured Obligations” includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Chargor.
- (c) An Event of Default is "*continuing*" if it has not been remedied or waived.
- (d) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by such Chargor for the benefit of the Collateral Agent and each other Secured Creditor.
- (e) If the Collateral Agent reasonably considers that an amount paid by any Chargor to a Secured Creditor under a Credit Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.
- (g) The Collateral Agent is acting in this Deed as trustee on behalf of the Secured Creditors on the terms of the Credit Agreement and this Deed.
- (h) The absence of or incomplete details relating to any Security Asset in any schedule or appendix hereto or any Accession Deed does not affect the validity or enforceability of any Security or the scope of Security Assets under this Deed or any Accession Deed.

1.3 Agreement to be bound

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

1.4 Inconsistency between this Deed and the Credit Agreement

In the event of any inconsistency between this Deed and the Credit Agreement, the Credit Agreement shall prevail.

1.5 Trust

- (a) All Security and dispositions made or created, and all obligations and undertakings contained, in this Deed to, in favour of or for the benefit of the Collateral Agent are made, created and entered into in favour of the Collateral Agent as trustee for the Secured Creditors from time to time on the terms of the Credit Agreement.
- (b) The Collateral Agent hereby declares that it holds the Security, covenants, representations, warranties and undertakings made or given, or to be made or given, to it or in its favour under

or pursuant to this Deed for the benefit of each of the Secured Creditors in respect of the Secured Obligations owed to each of them and subject to the terms of this Deed.

(c) The Chargors hereby acknowledge the security trust created under this Deed.

1.6 Third party rights

Subject to any provision to the contrary in a Credit Document, 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.

1.7 Obligations secured by this Deed

By entering into or, as the case may be, acceding to this Deed, each Chargor expressly confirms and agrees that:

- (a) the Security created or intended to be created by it under or evidenced by this Deed is intended as security for the payment and discharge of all of its Secured Obligations and without any need or requirement for any amendment or supplement to this Deed at any time after the date of this Deed (or, as the case may be, the date upon which such Chargor accedes to this Deed) notwithstanding any change in or to its Secured Obligations from time to time after such date; and
- (b) the Security created or intended to be created under or evidenced by this Deed is intended as security for the payment and discharge of its Secured Obligations notwithstanding any change of the Collateral Agent and/or any change of the Secured Creditors from time to time (including, without limitation, a change to all or substantially all of the Secured Creditors) and/or any amendment (however fundamental), novation, termination, replacement, supplement of any Credit Document (including, without limitation, the terms upon which the Collateral Agent holds the Security created or intended to be created under or evidenced by this Deed) and/or any other Credit Document.

The Security created under or evidenced by this Deed does not apply to any liability to the extent that would result in this Security constituting unlawful financial assistance within the meaning of Section 677 of the Companies Act 2006 or any equivalent provision of any applicable law.

2. COVENANT TO PAY

- (a) Each Chargor covenants, as a primary obligor and not merely as a surety, for the benefit of the Collateral Agent (as Collateral Agent for itself and on behalf of the other Secured Creditors), by way of an independent obligation, that it will pay and discharge its Secured Obligations from time to time when they fall due.
- (b) Every payment by a Chargor of a Secured Obligation which is made to or for the benefit of a Secured Creditor to which that Secured Obligation is due and payable in accordance with the Credit Document under which such sum is payable to that Secured Creditor, shall operate in satisfaction to the same extent of the covenant contained in Clause 2(a).

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Collateral Agent as trustee for the Secured Creditors;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 but in each case with all covenants implied therein pursuant to that Act being subject to and qualified by reference to any Permitted Encumbrance; and
- (c) as continuing security for payment and discharge of the Secured Obligations.

4. FIXED SECURITY

4.1 Fixed charges

Subject to Clause 8 (*Excluded Assets*), each Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first fixed charge all Inventory and the benefit of all contracts, licences and warranties relating to the same;
- (b) by way of first fixed charge all Charged Accounts and all monies at any time standing to the credit of such Charged Accounts, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- (c) to the extent that any Assigned Asset is not effectively assigned under Clause 4.2 (*Security assignments*), by way of first fixed charge all its present and future right, title and interest in, proceeds of (and claims under) each Assigned Asset; and
- (d) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed) the benefit of all licences, consents, agreements and authorisations held or used in connection with the use of any of the Security Assets.

4.2 Security assignments

Subject to Clause 8 (*Excluded Assets*), each Chargor assigns and agrees to assign absolutely as continuing security for the payment and discharge of the Secured Obligations (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (a) all Insurances and all claims under the Insurances and all proceeds of the Insurances; and
- (b) all Receivables.

To the extent that any Assigned Asset is not assignable, the assignment which that clause purports to effect shall operate instead as an assignment of all present and future rights and claims of such Chargor to any proceeds of such Insurances and Receivables.

4.3 Assigned Assets

The Collateral Agent is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of an Assigned Asset against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. FLOATING CHARGE

Each Chargor charges and agrees to charge by way of first floating charge all of its present and future Security Assets.

6. GRANT OF LICENSE

- (a) For purposes of enabling the Collateral Agent to exercise rights and remedies under this Deed each Chargor hereby grants to the Collateral Agent and its agents, representatives and designees:
 - (i) an irrevocable, nonexclusive, royalty free license, rent-free license and rent-free lease (which will be binding on any successor or assignee of such Chargor) to, after the occurrence and during the continuance of an Event of Default have access to and use all of such Chargor's Real Property (including the buildings and other improvements thereon), Equipment and fixtures (whether or not considered Real Property); and
 - (ii) under any Chargor Intellectual Property Rights, subject to the limitations set forth below, an irrevocable, non-exclusive, royalty free, paid-up, sublicensable (solely as necessary for Collateral Agent to exercise its rights hereunder and not for the independent or unrelated use of any third party) license, for the sole purpose of operating such Chargor's business, including completing the production of Inventory and selling the same, in accordance with this Deed. Collateral Agent hereby agrees to take all commercially reasonable actions in connection with its exercise of such license to protect such Chargor's rights and interest in such Intellectual Property Rights. To the extent Collateral Agent exercises the foregoing license with respect to Chargor's Trademarks, (A) all goodwill arising from such use shall inure to the sole benefit of Chargor and (B) Collateral Agent shall not use the Trademarks in a manner that detracts from the goodwill associated therewith. Collateral Agent shall take all reasonable steps under the circumstances to protect any confidential information or trade secrets licensed hereunder.
- (b) Except as provided above, the Collateral Agent shall not have any liability to Chargor in connection with its exercise of the foregoing licenses, other than liability which is the direct result of the Collateral Agent's gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final and non-appealable decision), for the purpose of (i) arranging for and effecting the sale, distribution or other disposition of Security Assets located on any such Real Property, including the manufacture, production, completion, packaging, advertising, distribution and other preparation of such Security Assets (including, without limitation, work-in-process, raw materials and complete Inventory) for sale, distribution or other disposition, (ii) selling Security Assets (by public auction, private sale, going out of business sale or similar sale, whether in bulk, in lots or to customers in the ordinary course of business or otherwise and which sale may include augmented Inventory of the same type sold in any Chargor's business), (iii) storing or otherwise dealing with the Security Assets, (iv) collecting all Accounts and copying, using and preserving any and all information relating to the Security Assets, and (v) otherwise dealing

with the Security Assets as part of the exercise of any rights or remedies provided to the Collateral Agent hereunder or under the other Credit Documents, in each case without the interference by any Chargor or any other Subsidiary of the Company and without incurring any liability to any Chargor or any other Subsidiary of the Company, except any liability which is the direct result of the Collateral Agent's gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

- (c) Each Chargor will, and will cause each of its Subsidiaries to, cooperate with the Collateral Agent and its agents, representatives and designees in allowing the Collateral Agent to exercise the foregoing rights. To the extent that any asset of any Chargor in which the Collateral Agent has access or use rights as provided above is to be sold or otherwise disposed of after the occurrence and during the continuance of an Event of Default, such Chargor shall, if requested by the Collateral Agent in writing, cause the buyer to agree in writing to be subject to, and comply with the terms of, this Clause 6. The Collateral Agent shall have the right to bring an action to enforce its rights under this Clause 6, including, without limitation, an action seeking possession of the applicable Security Assets and/or specific performance of this Clause 6.

If the grant of the above leases and licenses by an Chargor would breach any agreement with a third party, the affected Chargor shall promptly notify the Collateral Agent in writing. In such event, the above leases and licenses shall be deemed effective to the fullest extent permitted without causing such a breach, and, at the Collateral Agent's request, the affected Chargor shall use commercially reasonable efforts to obtain all third-party consents required to effect fully the above leases and licenses. The affected Chargor shall pay all reasonable out-of-pocket expenses in connection with obtaining any such consents.

7. CONVERSION OF FLOATING CHARGE

7.1 Conversion by notice

The Collateral Agent may, by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge with immediate effect as regards all or any of the Security Assets subject to the floating charge and specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) it considers (acting reasonably) any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process.

7.2 Small companies

The floating charge created under this Deed by any Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Chargor.

7.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:

- (i) that Chargor creates any Security (other than any Permitted Encumbrances) on or over the relevant Security Asset without the prior written consent of the Collateral Agent; or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset that constitutes an Event of Default; or
 - (iii) any other floating charge crystallises over that Security Asset; and
- (b) if a Chargor becomes or is declared insolvent or otherwise unable to pay its debts as they fall due in the ordinary course of business;
 - (c) over all Security Assets of a Chargor which are subject to a floating charge if an administrator is appointed in respect of that Chargor or the Collateral Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986) by someone entitled to so appoint; or
 - (d) if any Chargor convenes a meeting of its creditors or a proposal or arrangement or composition with, or any assignment is made for the benefit of, its creditors, or a petition is presented, or a meeting called for the purpose of considering a resolution regarding such matters or other steps are taken for its winding-up or dissolution.

7.4 Partial conversion

The giving of a notice by the Collateral Agent pursuant to Clause 7.1 (*Conversion by notice*) in relation to any class of Security Assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Collateral Agent to serve similar notices in respect of any other class of Security Assets or of any other right of the Collateral Agent and/or the other Secured Creditors.

8. EXCLUDED ASSETS

Unless otherwise agreed by the Company and the Collateral Agent in writing, there shall be excluded from the Security created by Clause 4 (*Fixed Security*) and Clause 5 (*Floating Charge*) and in no event shall the term “Security Assets” (and any component terms thereof) include:

- (a) any property, interest or other rights for so long as the grant of such security interest shall constitute or result in:
 - (i) a breach or termination pursuant to the terms of, or a default under, any General Intangible, lease, license, contract, agreement or other document;
 - (ii) a breach of any law or regulation which prohibits the creation of a security interest thereunder;
 - (iii) a requirement to obtain consent of a Governmental Authority or any other Person (other than consent of the Company or any of its Subsidiaries) to permit the grant of a security interest therein (and such consent has not been obtained); or
 - (iv) materially adverse tax consequences as reasonably determined by the Company,

other than to the extent that any such term specified in clause (i) or (ii) above is rendered ineffective pursuant to any then-applicable law or principles of equity and **provided, however,** that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation, unenforceability breach or termination shall no longer be effective and to the extent severable, shall attach immediately to any portion of such property or other rights that does not result in any of the consequences specified in clause (i), (ii), (iii) or (iv) above;

- (b) any property, interest or other rights with respect to which, in the reasonable determination of the Administrative Agent, expressed in writing, the cost or other consequences of granting a security interest in favor of the Secured Creditors is excessive in relation to the value afforded thereby;
- (c) Non-Eligible Motor Vehicles, airplanes and other assets subject to certificates of title;
- (d) Equity Interests;
- (e) Securitization Related Assets;
- (f) all interests in Real Property;
- (g) Rental Account Assets;
- (h) Charged Accounts that are identifiable proceeds of the sale or other disposition of property that is not Security Assets;
- (i) intercompany Accounts outstanding on the Amendment Effective Date; and
- (j) Intellectual Property Rights.

9. LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Collateral Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

10. REPRESENTATIONS

10.1 Power and capacity

Each Chargor:

- (a) is duly incorporated and validly existing under the laws of its Original Jurisdiction; and
- (b) has the power and authority to own its assets and carry on its business as it is being conducted.

10.2 Authorisation and enforceability

- (a) Each Chargor has the power and authority to execute, perform and deliver the terms and provisions of this Deed and has taken all necessary action to authorise the execution, delivery and performance of this Deed.
- (b) Subject to the Legal Reservations and, in the case of clause 9.2(b)(ii) the Perfection Requirements:
 - (i) the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and
 - (ii) (without limiting the generality of clause (9.2(a))), this Deed creates the security interests which this Deed purports to create and those security interests are valid and effective.

10.3 Ownership of Security Assets

Each Chargor is the sole legal and beneficial owner of all of the Security Assets identified against its name in Schedule 1 (*Details of Security Assets*) (or the relevant schedule of Accession Deed by which the relevant Chargor accedes to this Deed).

10.4 No adverse interests

Subject only to the Security created by or pursuant to this Deed and any Permitted Encumbrances under the Credit Agreement, no person other than the relevant Chargor has any legal or beneficial interest (or any right to claim any such interest) in the Security Assets and the relevant Chargor has not received any notice of such claim.

10.5 Time when representations are made

- (a) All the representations and warranties in this Clause 10 are made by each Chargor:
 - (i) on the date of this Deed; and
 - (ii) (in the case of a company that accedes to the terms of this Deed pursuant to an Accession Deed) on the day which it becomes a Chargor by reference to the relevant schedule (or part thereof) of the Accession Deed by which it accedes to this Deed.
- (b) Each representation and warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

11. UNDERTAKINGS BY THE CHARGORS AND DEALING WITH SECURITY ASSETS

11.1 Negative pledge

No Chargor shall, without the prior written consent of the Collateral Agent create, purport to create or permit to subsist any Security or Quasi-Security on any Security Asset other than as created by this Deed or a Permitted Encumbrance.

11.2 Bank accounts

- (a) Each Chargor shall:
 - (i) on or prior to the 90th day following the date of this Deed (in respect of the Original Chargor), or (in the case of a company that accedes to the terms of this Deed pursuant to an Accession Deed) on the day which it becomes a Chargor; and
 - (ii) upon opening a Core UK Deposit Account with a new UK Collection Bank,

(in each instance as such date may be extended by the Collateral Agent in its sole discretion) enter into an Account Control Agreement which shall constitute a Cash Management Control Agreement for the purposes of and in accordance with section 5.03(g) (*Method and Place of Payment*) of the Credit Agreement.
- (b) Until the occurrence of an Account Control Event which is continuing, each Chargor shall be entitled to deal with its Charged Accounts in any manner not prohibited by the Credit Documents (including closing such Charged Accounts).
- (c) At any time following the occurrence of an Account Control Event which is continuing, no Chargor shall be entitled to make any withdrawals or transfers from any Charged Account without the Collateral Agent's prior written consent and the Collateral Agent may at any time following the occurrence of an Account Control Event which is continuing, without prior notice exercise from time to time all rights, powers and remedies held by it as chargee of the Charged Accounts to:
 - (i) demand and receive all and any monies due under or rising out of each Charged Account;
 - (ii) exercise all such rights as the charger was then entitled to exercise in relation to such Charged Account or might, but for the terms of this Deed exercise.

11.3 Notice of assignment and/or charge

Each Chargor shall, promptly upon request by the Collateral Agent at any time after the occurrence of an Event of Default which is continuing, in respect of each of its Assigned Assets, deliver a duly completed and executed notice of assignment to each other party to that Assigned Asset and shall use reasonable endeavours to procure that each such party executes and delivers to the Collateral Agent an acknowledgement, in the case of Insurances, in the form set out in Schedule 2 (*Form of Notice to and Acknowledgement by Insurers*) and in the case of all other Assigned Assets in the form set out in Schedule 3 (*Form of Notice and Acknowledgement of assignment*) or in each case such other form as the Collateral Agent may agree, acting reasonably. If a Chargor has used its reasonable endeavours but has not been able to obtain an acknowledgement as required by this Clause 10.3, its obligation to obtain acknowledgment shall cease on the expiry of 20 Business Days following delivery of the applicable notice.

11.4 Receivables

- (a) Except (i) in accordance with such Chargor's ordinary course of business, (ii) as otherwise in such Chargor's reasonable business judgment, (iii) as permitted by the Credit Agreement or (iv) as permitted by paragraph (b) below, no Chargor shall rescind or cancel any indebtedness evidenced by or under any Receivable, or modify any term thereof or make any adjustment with respect thereto, or extend or renew the same, or compromise or settle any dispute, claim, suit or legal proceeding relating thereto, without the prior written consent of the Collateral Agent. Except to the extent otherwise permitted by this Deed or the Credit Agreement, no Chargor will do anything to impair in any material respect the rights of the Collateral Agent in any Receivable.
- (b) Except as such Chargor otherwise determines in its reasonable business judgment, each Chargor shall endeavor in accordance with reasonable business practices to cause to be collected from the debtor in respect of any Receivable as and when due (including, without limitation, amounts which are delinquent, such amounts to be collected in accordance with generally accepted lawful collection procedures) any and all amounts owing under or on account of such any Receivable, and apply promptly upon receipt thereof all such amounts as are so collected to the outstanding balance of such Receivable. Except as otherwise directed by the Collateral Agent following the occurrence of an Event of Default that is continuing, any Chargor may allow in the ordinary course of business as adjustments to amounts owing in respect of Receivables (i) an extension or renewal of the time or times of payment, or settlement for less than the total unpaid balance, which such Chargor finds appropriate in accordance with its reasonable business judgment, (ii) a refund or credit due as a result of returned or damaged merchandise or improperly performed services or for other reasons which such Chargor finds appropriate in accordance with its reasonable business judgment and/or (iii) such other adjustments which such Chargor finds appropriate in accordance with its reasonable business judgment.

12. POWER TO REMEDY

12.1 Power to remedy

If at any time following an Event of Default which is continuing a Chargor does not comply with any of its obligations under this Deed, the Collateral Agent (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Collateral Agent and its employees and agents by way of security, to do all such things (including entering the property of such Chargor) which are reasonably necessary to rectify that default.

12.2 Mortgagee in possession

The exercise of the powers of the Collateral Agent under this Clause 12 shall not render it, or any other Secured Creditor, liable as a mortgagee in possession.

12.3 Monies expended

The relevant Chargor shall pay to the Collateral Agent on demand any monies which are expended by the Collateral Agent in exercising its powers under this Clause 12.

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Security created by or pursuant to this Deed shall become immediately enforceable upon the occurrence of an Event of Default which is continuing.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of an Event of Default which is continuing.

13.3 Enforcement

After the Security created by or pursuant to this Deed has become enforceable, the Collateral Agent may in its absolute discretion enforce all or any part of the Security created by or pursuant to this Deed in such manner as it sees fit.

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security created by or pursuant to this Deed.

14.2 Powers of leasing

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

14.3 Powers of Collateral Agent

- (a) At any time after the Security created by or pursuant to this Deed becomes enforceable (or if so requested by any Chargor by written notice at any time), the Collateral Agent may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.

- (b) The Collateral Agent is not entitled to appoint a Receiver in respect of any Security Assets of any Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Chargor.

14.4 Redemption of prior mortgages

At any time after the Security created by or pursuant to this Deed has become enforceable, the Collateral Agent may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on each Chargor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the relevant Chargor to the Collateral Agent on demand.

14.5 Privileges

Each Receiver and the Collateral Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.

14.6 No liability

- (a) Neither the Collateral Agent, any other Secured Creditor nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of Clause 14.6(a), neither the Collateral Agent, any other Secured Creditor nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

14.7 Protection of third parties

No person (including a purchaser) dealing with the Collateral Agent or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Collateral Agent or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under any Credit Document; or

(d) how any money paid to the Collateral Agent or to the Receiver is to be applied.

15. RECEIVER

15.1 Removal and replacement

The Collateral Agent may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

15.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

15.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Collateral Agent (or, failing such agreement, to be fixed by the Collateral Agent).

15.4 Payment by Receiver

Only monies actually paid by a Receiver to the Collateral Agent in relation to the Secured Obligations shall be capable of being applied by the Collateral Agent in discharge of the Secured Obligations.

15.5 Agent of Chargors

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Creditor shall incur any liability (either to such Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

15.6 Collateral Agent

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

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Collateral Agent by Clause 14.3 (*Powers of Collateral Agent*);

- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

16.2 Additional powers

In addition to the powers referred to in Clause 16.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of any Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation;
 - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Chargor;
- (f) to take any such proceedings (in the name of any of the relevant Chargors or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (h) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating to any of the Security Assets.
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Collateral Agent shall direct);

- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more subsidiaries of any Chargor and to transfer to any such subsidiary all or any part of the Security Assets;
- (l) to:
 - (i) give valid receipts for all monies and to do all such other acts and things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the preservation, improvement or realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of any Chargor for any of the above purposes;
 - (iv) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 16.2.

16.3 Section 109 Law of Property Act 1925

- (a) Section 109(1) of the Act shall not apply to this Deed.
- (b) Sections 109(6) and (8) of the Act shall not apply to a Receiver appointed under this Deed.

17. APPLICATION OF PROCEEDS

17.1 Application

- (a) All moneys collected by the Collateral Agent (or, to the extent any other Security Document requires proceeds of collateral under such other Security Document to be applied in accordance with the provisions of this Deed, the collateral agent under such other Security Document) upon any sale or other disposition of the Security Assets, in connection with the Collateral Agent's exercise of remedies following the occurrence of an Event of Default which is continuing, together with all other moneys received by the Collateral Agent hereunder or under any other Security Document, shall be applied as follows:
 - (i) *first*, to the payment of all amounts owing the Collateral Agent of the type described in clauses (b), (c), (d) and (e) of the definition of "Secured Obligations";
 - (ii) *second*, to the extent proceeds remain after the application pursuant to preceding clause (i), an amount equal to the outstanding Primary Obligations shall be paid to the Secured Creditors as provided in Clause 17.1(e) below, with each such Secured Creditor receiving an amount equal to its outstanding Primary Obligations or, if the proceeds are insufficient to pay in full all Primary Obligations described above,

each Secured Creditor shall receive its Pro Rata Share of the amount remaining to be distributed;

- (iii) *third*, to the extent proceeds remain after the application pursuant to preceding clauses (i) and (ii), an amount equal to the outstanding Secondary Obligations shall be paid to the Secured Creditors as provided in Clause 17.1(e) below, with each such Secured Creditor receiving an amount equal to its outstanding Secondary Obligations or, if the proceeds are insufficient to pay in full all Secondary Obligations described above, each Secured Creditor shall receive its Pro Rata Share of the amount remaining to be distributed; and
- (iv) *fourth*, to the extent proceeds remain after the application pursuant to preceding clauses (i) through (iii), inclusive, and following the termination of this Deed pursuant to Clause 32 (*Release*) hereof, to the relevant Chargor or to whomever may be lawfully entitled to receive such surplus.

- (b) For the purposes of this Clause 17.1:

“**Pro Rata Share**” shall mean, when calculating a Secured Creditor’s portion of any distribution or amount, that amount (expressed as a percentage) equal to a fraction the numerator of which is the then unpaid amount of such Secured Creditor’s Primary Obligations or Secondary Obligations, as the case may be, and the denominator of which is the then outstanding amount of all Primary Obligations or Secondary Obligations owing to the applicable Secured Creditors entitled thereto, as the case may be;

“**Primary Obligations**” shall mean all principal of, premium, fees and interest on, all Loans made to the UK Borrowers, all Unpaid Drawings (and all interest thereon) in respect of Letters of Credit issued for the account of a UK Borrower, the Stated Amount of (and the obligation to cash collateralize) all outstanding Letters of Credit issued for the account of a UK Borrower and all Fees in respect of which a UK Borrower (in its capacity as such) is obligated; and

“**Secondary Obligations**” shall mean all Obligations other than Primary Obligations.

- (c) When payments to Secured Creditors are based upon their respective Pro Rata Shares, the amounts received by such Secured Creditors hereunder shall be applied (for purposes of making determinations under this Clause 17.1 only) (i) first, to their Primary Obligations and (ii) second, to their Secondary Obligations. If any payment to any Secured Creditor of its Pro Rata Share of any distribution would result in overpayment to such Secured Creditor, such excess amount shall instead be distributed in respect of the unpaid Primary Obligations or Secondary Obligations, as the case may be, of the other Secured Creditors entitled to such distribution, with each such Secured Creditor whose Primary Obligations or Secondary Obligations, as the case may be, have not been paid in full to receive an amount equal to such excess amount multiplied by a fraction the numerator of which is the unpaid Primary Obligations or Secondary Obligations, as the case may be, of such Secured Creditor and the denominator of which is the unpaid Primary Obligations or Secondary Obligations, as the case may be, of all Secured Creditors entitled to such distribution.

- (d) Each of the Secured Creditors, by their acceptance of the benefits hereof and of the other Security Documents, agrees and acknowledges that if the Secured Creditors receive (or are to receive) a distribution on account of undrawn amounts with respect to Letters of Credit issued under the Credit Agreement for the account of a UK Borrower (which shall only occur after all outstanding Revolving Loans under the Credit Agreement of any UK Borrower and Unpaid Drawings of any UK Borrower have been paid in full), such amounts shall be paid to the Administrative Agent under the Credit Agreement and held by it, for the equal and ratable benefit of the Secured Creditors, as cash security for the repayment of Obligations owing to the Secured Creditors as such. If any amounts are held as cash security pursuant to the immediately preceding sentence, then upon the termination of all outstanding Letters of Credit issued under the Credit Agreement and for the account of a UK Borrower, and after the application of all such cash security to the repayment of all Secured Obligations owing to the Secured Creditors after giving effect to the termination of all such Letters of Credit, if there remains any excess cash, such excess cash shall be returned by the Administrative Agent to the Collateral Agent for distribution in accordance with Clause 17.1(a) (*Application*) hereof.
- (e) All payments required to be made hereunder shall be made to the Administrative Agent for the account of the Secured Creditors.
- (f) For purposes of applying payments received in accordance with this Clause 17 (*Application of Proceeds*), the Collateral Agent shall be entitled to rely upon the Administrative Agent for a determination (which the Administrative Agent agrees to provide upon request of the Collateral Agent) of the outstanding Primary Obligations and Secondary Obligations owed to the Secured Creditors. Unless it has received written notice from a Secured Creditor to the contrary, the Administrative Agent, in furnishing information pursuant to the preceding sentence, and the Collateral Agent, in acting hereunder, shall be entitled to assume that no Secondary Obligations are outstanding.
- (g) It is understood that the Chargors shall remain jointly and severally liable to the extent of any deficiency between the amount of the proceeds of the Security Assets and the aggregate amount of the Obligations.
- (h) It is understood and agreed by each Chargor and each Secured Creditor that the Collateral Agent shall have no liability for any determinations made by it in this Section 16.1 (*Application*), in each case except to the extent resulting from the gross negligence or willful misconduct of the Collateral Agent (as determined by a court of competent jurisdiction in a final and non-appealable decision). Each Chargor and each Secured Creditor also agrees that the Collateral Agent may (but shall not be required to), at any time and in its sole discretion, and with no liability resulting therefrom, petition a court of competent jurisdiction regarding any application of the Security Assets in accordance with the requirements hereof, and the Collateral Agent shall be entitled to wait for, and may conclusively rely on, any such determination.

17.2 Contingencies

If the Security created by or pursuant to this Deed is enforced at a time when no amounts are due under the Credit Documents (but at a time when amounts may become so due), the Collateral Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Collateral Agent usually grants for accounts of that size and nature).

17.3 Appropriation and suspense account

- (a) Subject to Clause 17.1 (*Application*), the Collateral Agent shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by any Chargor.
- (c) All monies received, recovered or realised by the Collateral Agent under or in connection with this Deed may at the discretion of the Collateral Agent be credited to a separate interest bearing suspense account (with interest accruing thereon at at least the rate that the Collateral Agent usually grants for accounts of that size and nature) for so long as the Collateral Agent determines without the Collateral Agent having any obligation to apply such monies or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would be sufficient to discharge all Secured Obligations in full.

18. SET-OFF

- (a) At any time after the occurrence of an Event of Default which is continuing, the Collateral Agent and each other Secured Creditor may (but shall not be obliged to) set-off any matured liability owed by a Chargor under any Credit Document against any obligation (whether or not matured) owed by the Collateral Agent or such other Secured Creditor to such Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) If the obligations are in different currencies, the Collateral Agent or such other Secured Creditor may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (c) If either obligation is unliquidated or unascertained, the Collateral Agent or such other Secured Creditor may set off in an amount estimated by it in good faith to be the amount of that obligation.

19. DELEGATION

Each of the Collateral Agent and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may reasonably think fit. Neither the Collateral Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate unless arising as a result of its gross negligence or wilful misconduct in so delegating.

20. FURTHER ASSURANCES

20.1 Further action

Each Chargor shall at its own expense, promptly do all acts and execute all documents that the Collateral Agent reasonably specifies is required for:

- (a) perfecting or protecting the Security created or intended to be created by this Deed; or

- (b) after the Security created by or pursuant to this Deed has become enforceable, facilitating the realisation of any Security Asset or the exercise of any rights, powers and remedies properly exercisable by the Collateral Agent, any other Secured Creditor or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Credit Documents or by law,

which may include:

- (i) the re-execution of this Deed or such Security Document;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Collateral Agent or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

provided that no Chargor shall be required to do any act or execute any document in order to create or to perfect (as applicable) any Security pursuant to this Clause 20.1 before such an obligation has otherwise arisen by operation of this Deed.

20.2 Specific security

Without prejudice to the generality of Clause 20.1 (*Further action*), each Chargor will promptly upon request by the Collateral Agent execute any document contemplated by that Clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to Clause 7 (*Conversion of Floating Charge*)).

21. POWER OF ATTORNEY

Until this Security Agreement is terminated in accordance with its terms, each Chargor hereby constitutes and appoints the Collateral Agent to be its attorney, irrevocably, with full power after the occurrence of an Event of Default which is continuing (in the name of such Chargor or otherwise) to take any action which such Chargor is obliged to take under this Deed, including (without limitation) under Clause 20.1 (*Further action*).

22. CURRENCY CONVERSION

All monies received or held by the Collateral Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Collateral Agent or the Receiver considers necessary or, following an Event of Default which is continuing, desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the exchange rate in effect on such date, as determined by the Collateral Agent in a manner permitted by the terms of the Credit Documents. Each Chargor shall indemnify the Collateral Agent against all costs, charges and expenses reasonably and properly incurred in relation to such conversion. Neither the Collateral Agent nor any Receiver shall have any liability to any Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

23. CONTINUING SECURITY

23.1 Continuing security

The Security created by or pursuant to this Deed is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. Subject to Clause 32 (*Release*), this Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

23.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Collateral Agent and/or any other Secured Creditors may at any time hold for any Secured Obligation.

23.3 Right to enforce

This Deed may be enforced against each or any Chargor without the Collateral Agent and/or any other Secured Creditor first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

23.4 Waiver of defences

The obligations of each Chargor under this Deed will not be discharged, diminished or in any way adversely affected by any of the following (whether or not known to any Chargor, any Secured Creditor or any other person and whether or not agreed to by, or notified to, any Chargor):

- (a) any time, waiver, or consent granted to, or composition with, any Credit Party or any other person;
- (b) any amendment to, or replacement of, any Credit Document (however fundamental and whether or not it increases the liability of any member of the Group) or any other agreement or security;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take-up or enforce any rights or remedies against, or security over the assets of, any member of the Group or any other person or any failure to observe or perform any formal requirement in respect of any security or other instruments or failure to realise the full value of any security;
- (d) any obligation of any Chargor or any other person under any Credit Document or other agreement (or any security for that obligation) being or becoming void, invalid, illegal or unenforceable for any reason;
- (e) any incapacity or lack of power, authority or legal personality of, or change in the constitution of, or any amalgamation or reconstruction of, any member of the Group or other person or any failure by any actual or proposed member of the Group to be or become bound by the terms of any Credit Document;
- (f) any member of the Group or other person being or becoming insolvent or subject to any insolvency proceedings or procedure;

- (g) the release of any other Credit Party under the terms of any composition or arrangement with any creditor of such Credit Party; or
- (h) any other act, omission, circumstance, matter or thing which, but for this Clause 23.4 would operate to release, reduce, prejudice or otherwise exonerate the relevant Chargor from any of its obligations under this Deed.

24. CHANGES TO THE PARTIES

24.1 Chargors

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

24.2 Collateral Agent

Subject to the terms of the Credit Agreement, the Collateral Agent may assign or transfer all or any part of its rights under this Deed in accordance with the Credit Agreement. Each Chargor shall, as soon as reasonably practicable after being requested to do so by the Collateral Agent, enter into such documents as may be necessary to effect such assignment or transfer.

24.3 Accession Deed

Each Chargor consents to other members of the Group becoming Chargors in accordance with the terms of the Credit Documents.

25. INDEMNITY

25.1 Indemnity.

- (a) Each Chargor jointly and severally agrees to indemnify, reimburse and hold the Collateral Agent, each other Lender and their respective successors, assigns, employees, affiliates and agents (each, an “Indemnitee,” and collectively, “Indemnitees”) harmless, in accordance with Section 13.01(b) of the Credit Agreement, any and all liabilities, obligations, losses, damages (excluding damages, losses or liabilities arising under any theory of liability for special, indirect, consequential or incidental damages (as opposed to direct or actual damages)), penalties, claims, actions (including removal or remedial actions), judgments, suits, costs, expenses and disbursements (including reasonable and invoiced out-of-pocket attorneys’ and consultants’ fees and disbursements (but limited, in the case of attorneys’ fees and disbursements, to one counsel to the Indemnified Persons, taken as a whole, one local counsel for the Indemnified Persons, taken as a whole, in each relevant jurisdiction, and, solely in the case of an actual or perceived conflict of interests, one additional counsel in each relevant jurisdiction to each group of affected Indemnified Persons similarly situated, taken as a whole)) incurred by, imposed on or assessed against any of them as a result of, or arising out of, or in any way related to, or by reason of:
 - (i) any investigation, litigation or other proceeding (whether or not the Lead Arrangers, the Administrative Agent, the Collateral Agent, the Syndication Agent, the Documentation Agent, any Issuing Lender or any Lender is a party thereto and whether or not such investigation, litigation or other proceeding is brought by or on behalf of any Credit Party) related to the entering into and/or performance of this Deed or any other Credit Document or the use of any Letter of Credit or the

proceeds of any Loans hereunder or the consummation of the Transaction or any other transactions contemplated herein or in any other Credit Document or the exercise of any of their rights or remedies provided herein or in the other Credit Documents; or

- (ii) (A) the handling of the Charged Account and Security Assets as provided in this Deed; (B) the Agents' and the Lenders' relying on any instructions of the Company; or (C) any other action taken by the Agents or the Lenders hereunder or under the other Credit Documents;

provided that no Indemnitee shall be indemnified pursuant to this Clause 25.1(a) (*Indemnity*) for losses, damages or liabilities:

- (D) to the extent caused by the gross negligence or willful misconduct of such Indemnitee (as determined by a court of competent jurisdiction in a final and non-appealable decision);
 - (E) constituting taxes (other than taxes that represent losses, liabilities, claims, damages or expenses arising from any non-tax claim); or
 - (F) arising out of disputes solely between and among Indemnites to the extent such disputes do not involve any act or omission of the Company or any of its Subsidiaries or any of their respective Affiliates (other than claims against an Indemnitee acting in its capacity as Agent or Lender). Each Chargor agrees that upon written notice by any Indemnitee of the assertion of such a liability, obligation, damage, injury, penalty, claim, demand, action, suit or judgment, the relevant Chargor shall assume full responsibility for the defense thereof. Each Indemnitee agrees to use its best efforts to promptly notify the relevant Chargor of any such assertion of which such Indemnitee has knowledge.
- (b) Without limiting the application of Clause 25.1(a) (*Indemnity*) above, each Chargor agrees, jointly and severally, to pay or reimburse the Collateral Agent for any and all reasonable and invoiced out-of-pocket fees, costs and expenses of whatever kind or nature incurred in connection with the creation, preservation or protection of the Collateral Agent's Security on, and security interest in, the Security Assets, including, without limitation, all fees and taxes in connection with the recording or filing of instruments and documents in public offices, payment or discharge of any taxes or Security in respect of the Security Assets, premiums for insurance with respect to the Security Assets and all other fees, costs and expenses in connection with protecting, maintaining or preserving the Security Assets and the Collateral Agent's interest therein, whether through judicial proceedings or otherwise, or in defending or prosecuting any actions, suits or proceedings arising out of or relating to the Security Assets.
 - (c) If and to the extent that the obligations of any Chargor under this Clause **Error! Reference source not found.** (*Indemnity*) are unenforceable for any reason, such Chargor hereby agrees to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under applicable law.

25.2 Indemnity Obligations Secured by Collateral; Survival.

Any amounts paid by any Indemnitee as to which such Indemnitee has the right to reimbursement hereunder or under the other Credit Documents shall constitute Secured Obligations secured by the Security Assets. The indemnity obligations of each Chargor contained in this Deed shall continue in full force and effect notwithstanding the full payment of all of the other Secured Obligations and notwithstanding the full payment of all the Notes issued, and Loans made, under the Credit Agreement, the termination of all Letters of Credit issued under the Credit Agreement, the termination of all Secured Hedging Agreements entered into with the Secured Hedging Creditors, the termination of all Treasury Services Agreements entered into with the Treasury Services Creditors and the payment of all other Secured Obligations and notwithstanding the discharge thereof and the occurrence of the Termination Date.

26. MISCELLANEOUS

26.1 Ruling off

- (a) If the Collateral Agent or any other Secured Creditor receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than any Permitted Encumbrances) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Credit Documents ceases to continue in force, it may open a new account or accounts for any Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Collateral Agent or such other Secured Creditor will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

26.2 Tacking

- (a) Each Secured Creditor shall perform its obligations under the Credit Documents (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made under the Credit Agreement that constitute Secured Obligations.

26.3 Protective clause

Each Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of each Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension of time, release, surrender or loss of securities, dealing, amendment or arrangement by any Secured Creditor which would otherwise have reduced, released or prejudiced the Security created by or pursuant to this Deed or any surety liability of a Chargor (whether or not known to it or to any Secured Creditor).

27. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Creditor, or the Collateral Agent specifying the amount of any Secured Obligation due from the Chargors (including details of any relevant calculation thereof) is, in the absence of manifest error, prima facie evidence against the Chargors of the matters to which it relates.

28. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

29. REMEDIES AND WAIVERS

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

30. AMENDMENTS

Any provision of this Deed may be amended only if the Collateral Agent and each Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Collateral Agent so agrees in writing. A waiver given or consent granted by the Collateral Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

31. COUNTERPARTS

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

32. RELEASE

32.1 Release

Upon the expiry of the Security Period or where otherwise contemplated by the Credit Agreement, the Collateral Agent shall, at the request and cost of the Chargors, take whatever action, including preparing and delivering all documents and instruments (including any termination or release letter or deed), revoking any powers of attorney and performing all acts or deeds (including returning any document belonging to the Chargors) which are, in each case, necessary to release or re-assign (without recourse or warranty) the Security Assets (or part thereof) from the Security.

32.2 Reinstatement

Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Collateral Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

33. PERPETUITY PERIOD

The Perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty five years from the date of this Deed.

34. GOVERNING LAW

This Deed and any dispute, proceedings or claims of whatever nature arising out of or in connection with it and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

35. JURISDICTION

35.1 English Courts

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”).

35.2 Convenient Forum

The parties to this Deed agree that the courts of England are the most appropriate and convenient forum to settle Disputes between them and, accordingly, that they will not argue to the contrary.

35.3 Non-exclusive Jurisdiction

This Clause 35 (*Jurisdiction*) is for the benefit of the Collateral Agent only. As a result and notwithstanding Clause 35.1 (*English Courts*), it does not prevent the Collateral Agent from taking proceedings relating to a Dispute in any other court of competent jurisdiction. To the extent allowed by law the Collateral Agent may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Original Chargor as a deed and duly executed by the Collateral Agent and has been delivered on the first date specified on page 1 of this Deed by the Original Chargor.

SCHEDULE 1

DETAILS OF SECURITY ASSETS

Core UK Deposit Accounts						
Account holder	Account bank	Account number	Swift Code	Sort Code	IBAN	Currency
[REDACTED]	Citibank	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	EUR

SCHEDULE 2

FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [●]

Dear Sirs

SECURITY AGREEMENT DATED [●] BETWEEN (1) [COLLATERAL AGENT] AND (2) [●] (THE “CHARGOR”)

1. We give notice that, by a security agreement dated [●] (the “Security Agreement”), we have assigned to [*the Collateral Agent*] (the “Collateral Agent”) as Collateral Agent for certain banks, financial institutions and others (as referred to in the Security Agreement) all our present and future right, title and interest in and to the [*DESCRIBE INSURANCE POLICIES*] (together with any other agreement supplementing or amending the same, the “Policies”) including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
2. We irrevocably authorise and instruct you following receipt by you of a notice from the Collateral Agent stating that an “Event of Default” has occurred and is continuing under the Security Agreement to:
 - (a) disclose to the Collateral Agent at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Collateral Agent may from time to time request;
 - (b) comply with any written notice or instructions in any way relating to (or purporting to relate to) the Security Agreement, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Collateral Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction);
 - (c) make all payments under or arising from the Policies only in accordance with the written instructions of the Collateral Agent; and
 - (d) send copies of all notices and other information given or received under the Policies to the Collateral Agent.
3. This notice may only be revoked or amended with the prior written consent of the Collateral Agent and the Chargors.
4. Please confirm by completing and signing the enclosed copy of this notice and returning it to the Collateral Agent (with a copy to us) that you agree to the above and that:
 - (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice; and

- (b) you have not, at the date this notice is returned to the Collateral Agent, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Collateral Agent promptly if you should do so in future.
5. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[*Name of Chargor*]

[On acknowledgment copy]

To: [●]
 as Collateral Agent
 [ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters referred to in it.

for and on behalf of
[●]

Dated: [●]

SCHEDULE 3

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

To: [Insert name and address of counterparty]

Dated: [●]

Dear Sirs

**SECURITY AGREEMENT DATED [●] BETWEEN (1) [COLLATERAL AGENT] AND (2) [●]
(THE “CHARGOR”)**

1. We give notice that, by a security agreement dated [●] (the “Security Agreement”), we have assigned to [the Collateral Agent] (the “Collateral Agent”) as Collateral Agent for certain banks, financial institutions and others (as referred to in the Security Agreement) all our present and future right, title and interest in and to [identify receivables or other Assigned Asset] (together with any other agreement supplementing or amending the same, the “Agreement”) including all rights and remedies in connection with the Agreement and all proceeds and claims arising from the Agreement.
2. We irrevocably authorise and instruct you following receipt by you of a notice from the Collateral Agent stating that an “Event of Default” has occurred under the Security Agreement, to:
 - (a) disclose to the Collateral Agent at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Agreement as the Collateral Agent may from time to time request;
 - (b) comply with any written notice or instructions in any way relating to (or purporting to relate to) the Security Agreement, the sums payable to us from time to time under the Agreement or the debts represented by them which you may receive from the Collateral Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction);
 - (c) make all payments under or arising from the Agreement only in accordance with the written instructions of the Collateral Agent; and
 - (d) send copies of all notices and other information given or received under the Agreement to the Collateral Agent.
3. This notice may only be revoked or amended with the prior written consent of the Collateral Agent and the Chargors.
4. Please confirm by completing and signing the enclosed copy of this notice and returning it to the Collateral Agent (with a copy to us) that you agree to the above and that:
 - (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice; and

- (b) you have not, at the date this notice is returned to the Collateral Agent, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Agreement or any proceeds of them and you will notify the Collateral Agent promptly if you should do so in future.
5. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[*Name of Chargor*]

[On acknowledgment copy]

To: [●]
 as Collateral Agent
 [ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters referred to in it.

for and on behalf of
[●]

Dated: [●]

SCHEDULE 4

FORM OF NOTICE TO AND ACKNOWLEDGEMENT FROM ACCOUNT BANK

To [insert name and address of Account Bank] (the “Account Bank”)

Dated: [●]

Dear Sirs

Re: [Chargor] - Security over Bank Accounts

We notify you that each of [insert names of Chargors] (the “Chargors”) has charged to [the Collateral Agent] (the “Collateral Agent”) for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice (the “Charged Accounts”) and to all interest (if any) accruing on the Charged Accounts by way of a security agreement dated [●] (the “Security Agreement”).

- 1 Prior to the receipt by you of a notice from the Collateral Agent specifying that an Account Control Event is continuing, the Chargors will have the sole right: (i) to operate and transact business in relation to the Charged Accounts (including making withdrawals from and effecting closures of the Charged Accounts), and (ii) to deal with you in relation to the Charged Accounts.
- 2 Following receipt by you of a written notice from the Collateral Agent specifying that an Account Control Event is continuing, the Chargors irrevocably authorise you:
 - (a) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Collateral Agent and to pay all or any part of those monies to the Collateral Agent (or as it may direct) promptly following receipt of written instructions from the Collateral Agent to that effect; and
 - (b) subject to the requirements of applicable law, to disclose to the Collateral Agent any information relating to the Chargors and the Charged Accounts which the Collateral Agent may from time to time request you to provide.
- 3 This notice may only be revoked or varied with the prior written consent of the Collateral Agent and the Chargors.
- 4 Please sign and return the enclosed copy of this notice to the Collateral Agent (with a copy to the Chargors) by way of your confirmation that:
 - (a) you agree to act in accordance with the provisions of this notice;
 - (b) you have not previously received notice (other than notices which were subsequently irrevocably and unconditionally withdrawn) that any Chargor has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;

- (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts; and
 - (d) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against any Chargor, any right of set-off, counter-claim or other right relating to the Charged Accounts, except prior security interests in favour of you created or arising by operation of law or in your standard terms and conditions (including, as applicable, for the netting of credit and debit balances pursuant to current account netting arrangements).
- 5 This notice shall take effect as a Cash Management Control Agreement for the purposes of the Credit Agreement.
6. This notice, and any acknowledgements in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

SCHEDULE

Customer	Account Number	Sort Code	Status
[●]	[●]	[●]	Not blocked

Yours faithfully

.....
for and on behalf of
[*Name of Chargor*]

[*On acknowledgement copy*]

To: [●]
 as Collateral Agent
 [ADDRESS]

Copy to: [NAME OF EACH CHARGOR]

We acknowledge receipt of the above notice. We confirm and agree to the matters referred to in it.

for and on behalf of
[*Name of Account Bank*]

Dated: [●]

SCHEDULE 5

FORM OF ACCESSION DEED

THIS ACCESSION DEED is made on 20[●]

BETWEEN

- (1) EACH COMPANY LISTED IN SCHEDULE 1 (each an “Acceding Company”); and
- (2) [●] (as Collateral Agent for the Secured Creditors (as defined below)) (the “Collateral Agent”).

BACKGROUND

This Accession Deed is supplemental to a security agreement dated [●] and made between (1) the Chargors named in it and (2) the Collateral Agent (the “Security Agreement”).

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

(a) Definitions

Terms defined in, or construed for the purposes of, the Security Agreement have the same meanings when used in this Accession Deed including the recital to this Accession Deed (unless otherwise defined in this Accession Deed).

(b) Construction

Clause 1.2 (*Interpretation*) of the Security Agreement applies with any necessary changes to this Accession Deed as if it were set out in full in this Accession Deed.

2. ACCESSION OF THE ACCEDING COMPANY

(a) Accession

[The/Each] Acceding Company:

- (i) unconditionally and irrevocably undertakes to and agrees with the Collateral Agent to observe and be bound by the Security Agreement; and
- (ii) creates and grants [at the date of this Deed] the charges, mortgages, assignments and other security which are stated to be created or granted by the Security Agreement,

as if it had been an original party to the Security Agreement as one of the Chargors.

(b) Covenant to pay

Without prejudice to the generality of clause 2(a) (*Accession*), [the/each] Acceding Company (jointly and severally with the other Chargors [and each other Acceding

Company]], covenants in the terms set out in clause 2 (*Covenant to Pay*) of the Security Agreement.

(c) **Charge and assignment**

Subject to clause 8 (*Excluded Assets*) of the Security Agreement and without prejudice to the generality of clause 2(a) (*Accession*), [the/each] Acceding Company with full title guarantee, charges and assigns (and agrees to charge and assign) to the Collateral Agent for the payment and discharge of the Secured Obligations, all its right, title and interest in and to the property, assets and undertaking owned by it or in which it has an interest, on the terms set out in clauses 1.7 (*Obligations secured by this Deed*), 3 (*Grant of Security*), 4 (*Fixed Security*), 5 (*Floating Charge*) and 6 (*Grant of license*) of the Security Agreement including (without limiting the generality of the foregoing):

- (i) by way of first fixed charge all Inventory the benefit of all contracts, licences and warranties relating to the same;
- (ii) by way of first fixed charge all Charged Accounts of the Acceding Company (including, without limitation, those specified [against its name] in Part 1 (*Charged Accounts*) of Schedule 2 (*Details of Security Assets owned by Acceding Companies*)) and all monies at any time standing to the credit of such Charged Accounts, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- (iii) by way of assignment and, to the extent not effectively assigned, by way of first fixed charge all its right, title and interest in, proceeds of (and claims under) each Assigned Asset;
- (iv) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed) the benefit of all licences, consents, agreements and authorisations held or used in connection with the use of any of the Security Assets; and
- (v) by way of first floating charge all of its present and future Security Assets.

(d) **Security Assignment**

Subject to clause 8 (*Excluded Assets*) of the Security Agreement, [the/each Acceding Company] assigns and agrees to assign absolutely as continuing security for the payment and discharge of the Secured Obligations (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (i) all Insurances and all claims under the Insurances and all proceeds of the Insurances; and
- (ii) all Receivables.

To the extent that any Assigned Asset is not assignable, the assignment which that clause purports to effect shall operate instead as an assignment of all present and future rights and claims of such Chargor to any proceeds of such Insurances and Receivables.

3. **REPRESENTATIONS**

[The / Each] Acceding Company makes the representations and warranties set out in clause 10 of the Security Agreement as at the date of this Deed.

4. **CONSTRUCTION OF SECURITY AGREEMENT**

This Accession Deed shall be read as one with the Security Agreement so that all references in the Security Agreement to “*this Deed*” and similar expressions shall include references to this Accession Deed.

5. **THIRD PARTY RIGHTS**

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

6. **NOTICE DETAILS**

Notice details for [the/each] Acceding Company are those identified with its name below.

7. **COUNTERPARTS**

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

8. **GOVERNING LAW**

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

IN WITNESS of which this Accession Deed has been duly executed by [the/each] Acceding Company as a deed and duly executed by the Collateral Agent and has been delivered on the first date specified on page 1 of this Accession Deed][by [the/each] Acceding Company.

SCHEDULE 1 TO THE ACCESSION DEED

The Acceding Companies

Acceding Company	Jurisdiction of incorporation	Registration number	Registered office
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

SCHEDULE 2 TO THE ACCESSION DEED

Details of Security Assets owned by the Acceding Companies

Core UK Deposit Accounts

Accounts						
Account holder	Account Bank	Account number	Swift code	Sort code	IBAN	Currency
[•]	[•]	[•]	[•]	[•]	[•]	[•]

EXECUTION PAGES OF THE ACCESSION DEED

THE ACCEDING COMPAN[Y][IES]

EITHER one director in the presence of a witness

EXECUTED AS A DEED)
By: [•])
as Acceding Company) Signature _____

Director name: _____

Witness signature : _____

Witness name: _____

Witness address: _____

Notice details:

Address: [•]

Telephone No: [•]

Email: [•]

Attention: [•]

OR where executing by an individual attorney in the presence of a witness

EXECUTED AS A DEED)
By: [•])
as Acceding Company by its attorney)
_____ [acting pursuant to a)
power of attorney dated [•]] in)
the presence of) Signature _____
as attorney for [•]

Witness signature _____

Witness name: _____

Witness address: _____

Notice details:

Address: [•]

Telephone No: [•]

Email: [•]

Attention: [•]

THE COLLATERAL AGENT

By: [•])
as Collateral Agent)
Signature _____

Name:

Notice details:

Address: [•]

Telephone No: [•]

Email: [•]

Attention: [•]

SIGNATURE PAGES

The Original Charging Companies

EXECUTED as a DEED by

TESLA MOTORS LIMITED

acting by:



.....
Signature of Director

Stephan Werkman

Name of Director

Witnessed by:



.....
Signature of Witness

Name of Witness:

Dasja Sonneveld-Hubers
.....

Occupation of Witness:

Sr. Paralegal
.....

Address of Witness:

Burgemeester Stramanweg 122,
1101 EN Amsterdam, the Netherlands

Notice details:

Address:

Burgemeester Stramanweg 122,
1101 EN Amsterdam, the Netherlands

Telephone No:

+31137999415

Email:

internationalcorporate@tesla.com

Attention:

the Directors

The Collateral Agent

DEUTSCHE BANK AG NEW YORK BRANCH

as Collateral Agent

By:

Name: Frank Fazio
Title: Managing Director

By:

Name: Stephen Lapidus
Title: Director

Notice details:

Address: 5022 Gateway Parkway, Suite 200, Jacksonville, FL, 32256

Telephone No:

Email:

Attention: Mike Yerington

Notice details:

Address: 60 Wall Street, New York, NY, 10005

Telephone No:

Email:

Attention: Jake Fuerst