



Registration of a Charge

Company name: **SKILLS MATTER LIMITED**

Company number: **04955555**

Received for Electronic Filing: **29/01/2018**



X6YN2BFE

Details of Charge

Date of creation: **26/01/2018**

Charge code: **0495 5555 0003**

Persons entitled: **STUART DEAN AS SECURITY TRUSTEE FOR THE BONDHOLDERS**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

**RICARDO MASFERRER OLIVEIRA, CMS CAMERON MCKENNA
NABARRO OLSWANG LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4955555

Charge code: 0495 5555 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th January 2018 and created by SKILLS MATTER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th January 2018 .

Given at Companies House, Cardiff on 31st January 2018

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

DATE: 26 January 2018

DEBENTURE

Between

SKILLS MATTER LIMITED

and

STUART DEAN

CERTIFIED TRUE COPY OF THE ORIGINAL
CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place,
78 Cannon Street, *W Bell*
London *WILSTY BEA*
EC4N 6AF *29/01/18.*

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DATED 26 January 2018

PARTIES

- (1) **SKILLS MATTER LIMITED** (company number 04955555) whose registered office is at 2 Mills Road, Haverhill, Suffolk CB9 8BD (the “**Company**”); and
- (2) **STUART DEAN** of 24 Glyn Road, London, E5 0JD, as security trustee for the Bondholders (the “**Security Trustee**”).

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

“**Account**” has the meaning given to it in clause 3.4.7 (First fixed charges);

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

“**Bond Instrument**” means the bond instrument of the Company constituting up to £1,000,000 of Skills Matter Secured Bonds 2020, dated on or around the date of this Deed;

“**Bondholders**” means any person(s) for the time being a registered holder of Bonds and / or entered in the register of bondholders of the Company as the holders of any Bonds and “**Bondholder**” shall mean any one of them;

“**Bondholder Documents**” means the Bond Instrument, the Intercreditor Deed, this Deed and any other document under which amounts are due and owing or capable of becoming due and owing from the Company to the Security Trustee or the Bondholders (or any of them) from time to time;

“**Bonds**” means the Skills Matter Secured Bonds 2020 constituted by the Bond Instrument;

“**Chattels**” has the meaning given to it in clause 3.4.4 (First fixed charges);

“**Companies Act 2006**” means the Companies Act 2006;

“**Debts**” has the meaning given to it in clause 3.4.6 (First fixed charges);

“**Default Event**” has the meaning given to that term in the Bond Instrument;

“**Fixtures**” means in respect of any Secured Property all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this Deed on that Secured Property;

“**Floating Charge Assets**” means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge);

“**Insurance Policies**” means all policies of insurance present and future in which the Company has an interest;

“**Intellectual Property**” means any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered and the benefit of all applications and rights to use such assets of the Company;

“Intercreditor Agreement” means the intercreditor agreement dated 23 February 2016 entered into between (1) the Company (2) The 2016 Bond Creditors (as defined therein) (3) The Investor Creditors (as defined therein) and (4) Beringea LLP;

“Investments” means any shares, stocks, debenture security, securities, bonds and investments of any type whatever (including the Subsidiary Shares) including but not limited to negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered held by the Company or by a trustee or clearance system or nominee;

“Occupational Lease” means a lease of a Secured Property in respect of which the Company is landlord;

“Party” means a party to this Deed;

“Permitted Security” means:

- (a) any Security created under this Deed or the 2016 Bond Debenture (as defined in the Intercreditor Agreement) and the Investor Debenture (as defined in the Intercreditor Agreement);
- (b) any Security created with the prior written consent of the Security Trustee; and
- (c) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Company;

“Planning Acts” means the Town and Country Planning Acts 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any regulations or subordinate legislation made under any of the foregoing and any other statute or regulation governing or controlling the use or development of land and buildings;

“Premises” means any building on a Secured Property;

“Receiver” means any receiver, manager or administrative receiver appointed by the Security Trustee in respect of the Company or any of the Secured Assets;

“Related Rights” means, in respect of any Investment:

- (a) all monies paid or payable in respect of that Investment (whether as income, capital or otherwise)
- (b) all shares, investments or other assets derived from that Investment and
- (c) all rights derived from or incidental to that Investment

“Relevant Policies” means all Insurance Policies (other than policies in respect of third party liability) together with all monies payable in respect of those policies;

“Secured Assets” means all of the Company's assets and undertaking the subject of any Security created by, under or supplemental to, this Deed in favour of the Security Trustee;

“Secured Obligations” means all monies and liabilities now or after the date of this Deed due, owing or incurred by the Company to the Security Trustee and the Bondholders (or any of them)

in any manner (including without limitation monies and liabilities owing or incurred under the Bondholder Documents (or any of them)) and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by the Security Trustee or any Bondholder in connection with any of the Bondholder Documents except for any obligation which, if it were so included, would constitute unlawful financial assistance under section 678 of the Companies Act 2006;

“Secured Property” means at any time all freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to this Deed;

“Security” means a mortgage, charge, pledge, lien, assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

“Security Period” means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities made available by the Bondholders (or any of them) under the Bondholder Documents (or any of them) have been cancelled;

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

“Subsidiary Shares” means all shares present and future held by the Company in its Subsidiaries.

1.2 Interpretation

1.2.1 Unless otherwise defined in this Deed, a term defined in the Bond Instrument has the same meaning when used in this Deed or any notices, acknowledgements or other documents issued under or in connection with this Deed.

1.2.2 In this Deed the term **“dispose”** includes any sale, lease, licence, transfer or loan.

1.2.3 Clause 1 (Definitions & Interpretation) of the Bond Instrument is incorporated in this Deed as if set out here in full but so that each reference in that clause to **“this Deed”** or **“the Deed”** shall be read as a reference to this Deed.

1.2.4 **“Security Trustee”** shall include any person appointed as security trustee in accordance with the terms of the Bond Instrument or in accordance with any Bondholder Document (as applicable).

1.2.5 Any reference to any agreement or instrument or deed is a reference to that agreement or instrument or deed as amended, novated, supplemented or restated (however fundamentally).

1.3 Third party rights

1.3.1 Save for the rights of the Bondholders, 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 or any other document entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

1.3.2 The consent of any person who is not a Party is not required to rescind or vary this Deed or any other document entered into under or in connection with it.

1.4 Administration

1.4.1 Any reference in this Deed, or any other document entered into or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of the Company's assets) or 22 (by the Company or the directors of the Company) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.

1.4.2 Any reference in this Deed or any other document entered into or in connection with it, to the making of an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

1.5 Incorporated terms

The terms of the Bondholder Documents and of any side letters relating to the Bondholder Documents and/or the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of any Secured Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Appointment

The Security Trustee accepts its appointment as Security Trustee for and on behalf of the Bondholders in accordance with the terms of the Bond Instrument.

2. COVENANT TO PAY

2.1 The Company covenants with the Security Trustee as security trustee for the Bondholders, to pay and discharge the Secured Obligations when they become due for payment and discharge.

3. CHARGING PROVISIONS

3.1 General

All Security created by the Company under clauses 3.2 to 3.5 inclusive is:

3.1.1 a continuing security for the payment and discharge of the Secured Obligations;

3.1.2 granted with full title guarantee;

3.1.3 granted in respect of all the right, title and interest (if any), present and future, of the Company in and to the relevant Secured Asset; and

3.1.4 granted in favour of the Security Trustee as security trustee for the Bondholders.

3.2 First legal mortgages

The Company charges by way of first legal mortgage all interests and estates in freehold, leasehold or commonhold property and, in each case, all Premises and Fixtures on such property for the time being.

3.3 Assignments

The Company assigns the Relevant Policies but shall remain liable to perform all its obligations under the Relevant Policies.

3.4 **First fixed charges**

The Company charges by way of first fixed charge:

- 3.4.1 to the extent that any legal mortgage in clause 3.2 or any assignment in clause 3.3 is ineffective as a legal mortgage or an assignment (as applicable), the assets referred to in that clause;
- 3.4.2 the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- 3.4.3 the benefit of all other agreements, instruments and rights relating to its Secured Property;
- 3.4.4 all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, (together “**Chattels**”) present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;
- 3.4.5 the Investments together with all Related Rights;
- 3.4.6 all book and other debts due to the Company and their proceeds (both collected and uncollected) (together the “**Debts**”), and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of monies and all rights to enforce the Debts (or any of them);
- 3.4.7 all monies from time to time standing to the credit of each account held by the Company with any bank, building society, financial institution or other person (each an “**Account**”);
- 3.4.8 all its Intellectual Property;
- 3.4.9 all its goodwill and uncalled capital; and
- 3.4.10 the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them.

3.5 **Floating charge**

The Company charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage, fixed charge or assigned under clauses 3.2, 3.3 or 3.4.

3.6 **Qualifying floating charge**

This Deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this Deed.

3.7 **Conversion of floating charge to a fixed charge**

The Security Trustee may, at any time by notice in writing to the Company, convert the floating charge created under clause 3.5 into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- 3.7.1 a Default Event is continuing; or

- 3.7.2 in the opinion of the Security Trustee (acting reasonably) that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

3.8 Automatic conversion of floating charge to a fixed charge

If (unless permitted in writing by the Security Trustee or expressly permitted under the terms of this Deed):

- 3.8.1 the Company creates or attempts to create any Security over any of its Floating Charge Assets;
- 3.8.2 any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- 3.8.3 any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Company,

the floating charge created by this Deed will automatically and immediately, without notice, be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8.3, over all of the Floating Charge Assets.

3.9 Small company moratorium

Where the Company is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created by this Deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Company.

4. CONTINUING SECURITY

- 4.1 The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Company or any other person of the whole or any part of the Secured Obligations.

4.2 Recourse

The Security constituted by this Deed:

- 4.2.1 is in addition to any other Security which any Bondholder may hold at any time for the Secured Obligations (or any of them); and
- 4.2.2 may be enforced without first having recourse to any other rights of any Bondholder.

5. NEGATIVE PLEDGE

- 5.1 The Company shall not create or permit to subsist any Security over any of its assets.

5.2 The Company shall not:

- 5.2.1 sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by it;
- 5.2.2 sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- 5.2.3 enter into any arrangement under which monies or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

5.2.4 enter 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 financial indebtedness or of financing the acquisition of an asset.

5.3 Clauses 5.1 and 5.2 do not apply to any Security or arrangement which is Permitted Security.

6. RESTRICTIONS ON DISPOSALS

6.1 The Company shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Secured Assets charged or assigned by clause 3.2 (First legal mortgages), clause 3.3 (Assignments), clauses 3.4.1 to 3.4.6 (inclusive) and clauses 3.4.8 to 3.4.10 (inclusive) and, following crystallisation of the floating charge created by clause 3.5 (Floating charge), the Secured Assets charged by clause 3.5 (Floating charge), without the prior written consent of the Security Trustee.

6.2 The Company shall not dispose of any of the Secured Assets charged by clause 3.5 (Floating charge) other than in the ordinary course of, and for the purposes of, its trade while the floating charge remains uncrystallised.

6.3 Prior to the occurrence of a Default Event which is continuing, the Company shall not dispose of any of the Secured Assets charged by clause 3.4.7 (First fixed charges) other than in the ordinary course of, and for the purposes of, its trade. Following the occurrence of a Default Event which is continuing, the Company shall not dispose of any of the Secured Assets charged by clause 3.4.7 (First fixed charges) without the prior written consent of the Security Trustee.

7. FURTHER ASSURANCE

7.1 The Company shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s):

7.1.1 to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Security Trustee or the Bondholders provided by or pursuant to this Deed or by law;

7.1.2 to confer on the Security Trustee or confer on the Bondholders Security over any property and assets of the Company located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or

7.1.3 (if a Default Event is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed.

7.2 The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Bondholders by or pursuant to this Deed.

7.3 Any document required to be executed by the Company under this clause 7 will be prepared at the reasonable cost of the Company.

8. LAND REGISTRY

8.1 Application for restriction

- 8.1.1 In relation to land and buildings situated in England and Wales title to which is registered or is to be registered at the Land Registry, the Company consents to an application being made to the Chief Land Registrar for registration of a restriction on the register of title of all present and future registered freehold, leasehold or commonhold property of the Company (and any unregistered properties subject to compulsory first registration at the date of this Deed).
- 8.1.2 The Company confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

8.2 Further advances

The Bondholders may be, subject to the terms of the Bond Instrument, under an obligation to make further advances to the Company and this security has been made for securing such further advances. The Security Trustee and the Company by this Deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of the Company (and any unregistered properties subject to compulsory first registration at the date of this Deed).

9. NOTICES OF ASSIGNMENT OF RELEVANT POLICIES

- 9.1 The Company shall give notice in such form as is specified by the Security Trustee to the relevant insurer that the Company has assigned to the Security Trustee all its right, title and interest in each Relevant Policy and use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified by the Security Trustee within five Business Days of that notice being given.
- 9.2 The Company shall give the notices referred to in clause 9.1:
 - 9.2.1 in the case of each Relevant Policy subsisting at the date of this Deed, within five Business Days of the Security Trustee requesting that such notice be given; and
 - 9.2.2 in the case of each Relevant Policy coming into existence after the date of this Deed, within five Business Days of the Security Trustee requesting that such notice be given.

10. REPRESENTATIONS

The Company represents and warrants to the Security Trustee for and on behalf of the Bondholders that at the date of this Deed and on each day throughout the Security Period:

- 10.1.1 it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation and has the power to own its assets and carry on its business as it is being conducted;
- 10.1.2 it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and no limit on its powers will be exceeded as a result of the grant of Security contemplated by this Deed;
- 10.1.3 the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations and will not contravene any provision of its memorandum and

articles of association, any law or other obligation binding upon it or any other agreement or instrument binding upon it;

- 10.1.4 it is not insolvent or in liquidation or administration or subject to any other insolvency procedure and no Receiver or other insolvency practitioner has been appointed in respect of all or any part of the Secured Assets;
- 10.1.5 no Security exists over all or any of the Secured Assets other than Permitted Security;
- 10.1.6 it has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted; and
- 10.1.7 it has complied with all applicable laws and regulations where failure to comply would in the opinion of the Security Trustee materially and adversely affect its ability to perform its obligations under this Deed or the Bondholder Documents.

11. UNDERTAKINGS

The Company undertakes to the Security Trustee in accordance with this clause 11. The undertakings in this clause 11 shall remain in force during the Security Period.

11.1 Compliance with laws

It shall comply in all material respects with all laws to which it may be subject.

11.2 Authorisations

It shall obtain, renew, observe and comply in all material respects with all Authorisations required in connection with this Deed or to enable it to carry on its business.

11.3 Intellectual Property

It shall:

- 11.3.1 preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
- 11.3.2 use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;
- 11.3.3 make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property; and
- 11.3.4 not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil its right of to use such property.

11.4 Real property

11.4.1 Access

It will permit the Security Trustee and such person or persons as the Security Trustee shall nominate at all reasonable times and on reasonable notice to enter on any part of its Secured Property.

11.4.2 Repair

- (a) It shall keep its Secured Property in good and substantial repair and condition and decorative order.
- (b) It shall repair any defect or damage to any of its Secured Property promptly and if it fails to do so the Security Trustee may, but shall not be obliged to do so.

11.4.3 Development

- (a) It shall not carry out any structural or material alteration to, or any development (as defined in the Planning Acts) on, or change the use of, any part of, its Secured Property without the prior written consent of the Security Trustee.
- (b) It shall not do or allow or omit to be done anything which may infringe or contravene the Planning Acts affecting its Secured Property, nor make any application for the grant of planning permission within the meaning of the Planning Acts without the prior written consent of the Security Trustee.

11.4.4 Future acquisitions and legal mortgage

It shall notify the Security Trustee immediately of its intention to acquire any freehold, leasehold or other interest in property and at its cost, execute and deliver to the Security Trustee, on demand, a legal mortgage (in form and substance satisfactory to the Security Trustee and in substantially the same terms as this Deed) in favour of the Security Trustee of any freehold or leasehold or other interest in property which becomes vested in it after the date of this Deed.

11.4.5 Deposit of title deeds

It shall deposit with the Security Trustee all deeds and documents to title relating to its Secured Property which are in the Company's possession.

11.4.6 Outgoings

It will punctually pay and indemnify the Security Trustee and any Receiver against all present and future rents, rates, taxes, assessments and outgoings of whatsoever nature imposed on or payable in respect of its Secured Property or any part of it or payable by the owner or occupier of it.

11.4.7 Notices

It will deliver to the Security Trustee promptly a certified true copy of any statutory or other notice received by it in respect of the Secured Property (including any notice received in respect of the forfeiture of any lease under which it holds an interest in a Secured Property).

11.5 Leases

11.5.1 Lease and covenant compliance

It shall:

- (a) perform all the terms on its part contained in any lease or agreement for lease under which it holds an interest in a Secured Property or to which any of its Secured Property is subject; and

- (b) properly perform (and indemnify the Security Trustee and each Receiver for any breach of) any covenants and stipulations of whatsoever nature affecting any of its Secured Property where to do so would have material adverse effect.

11.5.2 Landlord's consent

If under the terms of any lease under which it holds an interest in a Secured Property, the Company is not permitted to charge its interest in such Secured Property without the consent of the landlord, it undertakes promptly to make an application for landlord's consent to the creation of the legal mortgage contained in clause 3.2 (First legal mortgages), the fixed charge contained in clause 3.4 (First fixed charges) and any charge to be created under clause 7 (Further assurance), as applicable, and shall use all reasonable endeavours to obtain such consent as soon as possible and shall keep the Security Trustee informed of the progress of its negotiations with such landlord.

11.5.3 No variation to lease

It shall not without the prior written consent of the Security Trustee alter or vary or agree to alter or vary the terms of any lease under which it holds any Secured Property or any lease to which any Secured Property is subject.

11.5.4 No surrender or termination

It shall not without the prior written consent of the Security Trustee surrender or otherwise terminate any lease under which it holds a Secured Property or terminate, forfeit or accept a surrender of any lease to which any Secured Property is subject.

11.5.5 Compliance by tenants

It shall use reasonable endeavours to procure that each tenant under an Occupational Lease complies with the terms of that Occupational Lease.

11.5.6 Lease or right to occupy

It will not without the prior written consent of the Security Trustee grant any lease or tenancy or exercise any other power of leasing of the whole or part of any Secured Property or grant any person any contractual licence or the right to occupy any Secured Property or part with possession of it.

11.5.7 Forfeiture

It shall not do or permit anything which may render any lease or agreement for lease under which it holds an interest in a Secured Property or to which the Secured Property is subject, liable to forfeiture or otherwise determinable.

11.6 Chattels

11.6.1 It will keep all Chattels comprised in its Secured Assets in good and substantial repair and in good working order and condition.

11.6.2 It shall repair any defect or damage to any of its Chattels promptly and if it fails to do so the Security Trustee may, but shall not be obliged to, do so.

11.7 Investments

11.7.1 On the later of:

- (a) the date of this Deed; and

- (b) the date of acquisition of those Investments or Related Rights, it shall:
 - (i) deliver to the Security Trustee all certificates of title and other documents of title or evidence of ownership in respect of its Investments and the Related Rights;
 - (ii) deliver to the Security Trustee such pre-stamped stock transfer forms or other transfer documents (with the transferee left blank) or any other documents as the Security Trustee may require or otherwise request in respect of those Investments and Related Rights; and
 - (iii) provide to the Security Trustee certified copies of all resolutions and authorisations approving the execution of such transfer forms or other transfer documents as the Security Trustee may reasonably require.
- 11.7.2 Until any steps are taken to enforce the Security created by or under this Deed, it shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of its Investments and Related Rights.
- 11.7.3 It shall not exercise its voting and other rights in respect of its Investments and Related Rights in a manner which is likely to be prejudicial to the interests of the Security Trustee or the Bondholders under the Bondholder Documents.
- 11.7.4 It shall make all payments which may become due and payable in respect of any of its Investments and Related Rights. If it fails to make any such payments, the Security Trustee may but shall not be obliged to make such payment on behalf of the Company. Any sums so paid by the Security Trustee shall be repayable by the Company to the Security Trustee on demand and pending such repayment shall constitute part of the Secured Obligations.
- 11.7.5 It shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of its Investments and Related Rights and the Security Trustee shall not be required to perform or fulfil any obligation of the Company in respect of any Investments or Related Rights.
- 11.7.6 It shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of any relevant entity in respect of or in connection with the Investments or Related Rights and will promptly provide to the Security Trustee a copy of that notice.
- 11.7.7 Immediately on conversion of any of its Investment or Related Rights from a certificated to an uncertificated form, and on the acquisition by it of any Investments or Related Rights in an uncertificated form, it shall give such instructions or directions and take such other steps and enter into such documentation as the Security Trustee may require in order to protect or preserve the Security intended to be created by this Deed.

11.8 Insurance

- 11.8.1 The Company shall effect and maintain, in a form and amount and with an insurance company or underwriters acceptable to the Security Trustee, such insurance on and in respect of its business and its assets as the Security Trustee considers a prudent company carrying on the same or substantially similar business as the Company would effect.

- 11.8.2 It shall promptly pay all premiums and do all other things necessary to keep all of the policies of insurance in which it has an interest in full force and effect.
- 11.8.3 It shall procure that:
- (a) the name of the Security Trustee be noted on each Relevant Policy as mortgagee and first loss payee;
 - (b) each Relevant Policy shall contain a standard mortgagee clause whereby, among other things, the Insurance Policies shall not be vitiated or avoided as against a mortgagee notwithstanding that it could otherwise be so against the Company; and
 - (c) each Relevant Policy shall contain a provision to the effect that the Relevant Policy shall not be invalidated as against the Security Trustee for non-payment of any premium due without the insurer first giving to the Security Trustee not less than 14 days' written notice.
- 11.8.4 It shall not do or permit to be done anything to render the Insurance Policies void or voidable.
- 11.8.5 If it shall be in default of effecting or maintaining insurances, the Security Trustee may take out or renew such insurances in any sum which the Security Trustee may think expedient and all monies expended and costs incurred by the Security Trustee under this provision shall form part of the Secured Obligations.
- 11.8.6 Subject to any statutory or contractual restriction arising before the date of this Deed, at the option of the Security Trustee following the occurrence of a Default Event which is continuing any insurance proceeds shall be applied towards the repayment of the Secured Obligations.
- 11.8.7 Subject to clause 11.8.6 above, with the prior written consent of the Security Trustee, all insurance proceeds shall be applied towards replacing or reinstating the property in respect of which the proceeds are received.
- 11.8.8 It shall procure that there is given to the Security Trustee on its request copies of the Relevant Policies and such other information in connection with them as the Security Trustee may reasonably require. It will notify the Security Trustee in writing of all renewals, material variations and cancellations of policies made or, to its knowledge of it, threatened or pending.

11.9 Book and other debts

- 11.9.1 It shall collect and realise the Debts in the ordinary course of trading as agent for the Security Trustee and pay their proceeds into an Account immediately on receipt. It shall hold all such proceeds on trust for the Security Trustee pending payment of them into its Account.
- 11.9.2 It shall not set off, postpone or release any of the Debts or do or omit to do anything which may delay or prejudice the full recovery of all Debts without the prior written consent of the Security Trustee.

11.10 General

It shall not do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Bondholders of the Security created by or under this Deed.

12. POWER TO REMEDY

12.1 If the Company fails to comply with any of the undertakings set out in clause 11 (Undertakings), it shall allow and irrevocably authorises the Security Trustee and/or such persons as it shall nominate, to take such action on behalf of the Company as shall be necessary to ensure that it complies with those undertakings.

12.2 If the Company fails to perform any obligation or other covenant affecting the Secured Property or other Secured Asset, the Company shall permit the Security Trustee or its agents and contractors:

12.2.1 to enter on the Secured Property;

12.2.2 to comply with or object to any notice served on the Company relating to the Secured Property or other Secured Asset; and

12.2.3 to take any action the Security Trustee may reasonably consider expedient to prevent or remedy any breach of any such term or to comply with or object to any such notice.

12.3 The Company shall within three Business Days of demand indemnify the Security Trustee against any cost, loss or liability incurred by it in taking any of the steps referred to in this clause 12.

13. SECURITY POWER OF ATTORNEY

The Company, by way of security, irrevocably and severally appoints the Security Trustee, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Company is obliged to take under this Deed. The Company ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 13.

14. ENFORCEMENT OF SECURITY

14.1 When security is enforceable

On the occurrence of any Default Event which is continuing, the Security created by and under this Deed is immediately enforceable.

14.2 Acts of enforcement

The Security Trustee may, at its absolute discretion, at any time after the Security created by or under this Deed becomes enforceable:

14.2.1 enforce all or any part of the Security created by or under this Deed in any manner it sees fit;

14.2.2 exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets;

14.2.3 appoint one or more qualified persons (as defined in clause 15.1.2 (Appointment of Receiver)) to be a Receiver to all or any part of the Secured Assets;

- 14.2.4 appoint an administrator in respect of the Company, and take any steps to do so;
- 14.2.5 exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed); or
- 14.2.6 if permitted by law, appoint an administrative receiver in respect of the Company.

14.3 Statutory powers - general

- 14.3.1 For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- 14.3.2 Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- 14.3.3 The statutory powers of leasing conferred on the Security Trustee are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Security Trustee is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- 14.3.4 Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers when such Receivers have been duly appointed under the relevant Act.

14.4 Contingencies

If the Security Trustee enforces the Security constituted by or under this Deed at a time when no amounts are due to any Bondholder but at a time when amounts may or will become so due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

14.5 Mortgagee in possession - no liability

Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Secured 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 otherwise be liable.

14.6 Redemption of prior mortgages

At any time after the Security created by or under this Deed has become enforceable, the Security Trustee may, at the sole cost of the Company (payable to the Security Trustee on demand):

- 14.6.1 redeem any prior form of Security over any Secured Asset; and/or
- 14.6.2 procure the transfer of that Security to itself; and/or
- 14.6.3 settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Company.

14.7 Investments - following a Default Event

- 14.7.1 At any time while a Default Event is continuing, the Security Trustee may complete any transfer documents held by it in respect of the Investment and/or the Related Rights in favour of itself or such other person or nominee as it shall select.

- 14.7.2 At any time after the Security created by or under this Deed has become enforceable, the Security Trustee and its nominee or nominees may sell all or any of the Investments or Related Rights of the Company in any manner permitted by law and on such terms as the Security Trustee shall in their absolute discretion determine.
- 14.7.3 If the Company receives any dividends, distributions or other monies in respect of its Investments and Related Rights after the occurrence of a Default Event which is continuing, the Company shall immediately pay such sums received directly to the Security Trustee for application in accordance with clause 17 (Application of monies) and shall hold all such sums on trust for the Security Trustee pending payment of them to such account as the Security Trustee shall direct.

15. RECEIVER

15.1 Appointment of Receiver

15.1.1

- (a) At any time after any Security created by or under this Deed is enforceable the Security Trustee may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 14.2 (Acts of enforcement).
- (b) At any time, if so requested in writing by the Company, without further notice, the Security Trustee may appoint one or more qualified persons to be a Receiver to all or any part of the Secured Assets, as if the Security Trustee had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.

15.1.2 In this Deed “qualified person” means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed.

15.1.3 Any Receiver appointed under this Deed shall be the agent of the Company and the Company shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Security Trustee be in any way responsible for any misconduct, negligence or default of the Receiver.

15.1.4 Where the Company is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:

- (a) obtaining a moratorium; or
- (b) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

15.2 Removal

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

15.3 Powers of Receiver

15.3.1 General

- (a) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 15.3.
- (b) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (c) A Receiver who is an administrative receiver of the Company has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- (d) A Receiver may, in the name of the Company:
 - (i) do all other acts and things which he may consider expedient for realising any Secured Asset; and
 - (ii) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

15.3.2 Borrow monies

A Receiver may raise and borrow monies (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that monies need enquire as to the propriety or purpose of the exercise of that power or to check the application of any monies so raised or borrowed.

15.3.3 Carry on business

A Receiver may carry on the business of the Company as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate.

15.3.4 Compromise

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

15.3.5 Delegation

A Receiver may delegate his powers in accordance with clause 16 (Delegation).

15.3.6 Employees

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Company or for itself as Receiver, may:

- (a) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and

- (b) discharge any such persons appointed by the Company.

15.3.7 Leases

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

15.3.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Company in relation to any Secured Asset as he considers expedient.

15.3.9 Possession

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

15.3.10 Protection of assets

A Receiver may, in each case as he may think fit:

- (a) make and effect all repairs and insurances and do all other acts which the Company might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets;
- (b) commence and/or complete any building operations on the Secured Property or other Secured Asset; and
- (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

15.3.11 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

15.3.12 Sale of assets

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the Company.

15.3.13 Subsidiaries

A Receiver may form a Subsidiary of the Company and transfer to that Subsidiary any Secured Asset.

15.3.14 Deal with Secured Assets

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all

or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

15.3.15 Voting rights

A Receiver may exercise all voting and other rights attaching to the Investments, Related Rights, and stocks, shares and other securities owned by the Company and comprised in the Secured Assets in such manner as he may think fit.

15.3.16 Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Company and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

15.3.17 Acquire land

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

15.3.18 Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

15.3.19 Landlord's obligations

A Receiver may on behalf of the Company and without consent of or notice to the Company exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

15.3.20 Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of the Company in respect of uncalled capital.

15.3.21 Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Company for all the purposes set out in this clause 15.

15.4 Remuneration

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it.

16. DELEGATION

16.1 The Security Trustee and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Trustee and the Receiver as appropriate under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Trustee and Receiver as appropriate may think fit.

16.2 The Security Trustee and any Receiver will not be liable or responsible to the Company or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

17. APPLICATION OF MONIES

17.1 Subject to the rights of any prior or preferential creditor, all monies received by the Security Trustee or any Receiver shall be applied in the following order of priority, but preserving the right of the Security Trustee to recover any shortfall from the Company:

17.1.1 in payment of unpaid fees, costs, expenses and other liability (and all interest on them recoverable under the Bondholder Documents) incurred by or on behalf of the Security Trustee (an any receiver, attorney, agent or delegate appointed by it) and the remuneration of the Security Trustee and its advisors and agents);

17.1.2 in payment of remuneration to the Receiver;

17.1.3 in or towards satisfaction of the Secured Obligations (in such order as the Security Trustee shall require); and

17.1.4 the surplus (if any) shall be paid to the Company or other person entitled to it and pending that application shall be held on trust by the Security Trustee for the beneficiaries entitled to it.

17.2 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

17.3 The Security Trustee and any Receiver may place any monies received, recovered or realised pursuant to this Deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

17.4 Subject to clause 17.1, any monies received or realised by the Security Trustee from the Company or a Receiver may be applied by the Security Trustee to any item of account or liability or transaction to which they may be applicable in such order or manner as the Security Trustee may determine.

18. REMEDIES AND WAIVERS

18.1 No failure to exercise, nor any delay in exercising, on the part of the Security Trustee or any Receiver, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any

other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

- 18.2 A waiver given or consent granted by the Security Trustee 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.

19. PROTECTION OF THIRD PARTIES

- 19.1 No person (including a purchaser) dealing with the Security Trustee or a Receiver or its or his agents has an obligation to enquire of the Security Trustee, Receiver or others:

- 19.1.1 whether the Secured Obligations have become payable;
- 19.1.2 whether any power purported to be exercised has become exercisable;
- 19.1.3 whether any Secured Obligations or other monies remain outstanding;
- 19.1.4 how any monies paid to the Security Trustee or to the Receiver shall be applied; or
- 19.1.5 the status, propriety or validity of the acts of the Receiver or Security Trustee.

- 19.2 The receipt by the Security Trustee or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or any Receiver.

- 19.3 In clauses 19.1 and 19.2, “**purchaser**” includes any person acquiring, for monies or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

20. ADDITIONAL SECURITY

The Security created by or under this Deed is in addition to, and is not in any way prejudiced by any guarantee or security now or subsequently held by any Bondholder.

21. SETTLEMENTS CONDITIONAL

- 21.1 If the Security Trustee (acting reasonably) believes that any amount paid by the Company or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason then for the purposes of this Deed such amount shall not be considered to have been paid.
- 21.2 Any settlement, discharge or release between the Company and any Bondholder shall be conditional upon no Security or payment to or for that Bondholder by the Company or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

22. SUBSEQUENT SECURITY

If the Security Trustee or any Bondholder receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets it may open a new account or accounts for the Company in its books. If it does not do so then, unless it gives express written notice to the contrary to the Company, as from the time of receipt of such notice by the Security Trustee, all payments made by the Company to the Security Trustee or to any other Bondholder shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Obligations.

23. SET-OFF

A Bondholder may, set off any matured obligation due from the Company (to the extent beneficially owned by that Bondholder) against any matured obligation owed by that Bondholder to the Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Bondholder may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

24. NOTICES

Any communication under this Deed, shall be made and given in accordance with the terms of clause 12 (Notices) of the Bond Instrument provided that the address for the Security Trustee and the Company shall be their respective registered office(s).

25. INVALIDITY

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

26. PERPETUITY PERIOD

The perpetuity period applicable to the trusts created by this Deed is one hundred and twenty five (125) years.

27. ASSIGNMENT

Each Bondholder may assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it in accordance with the terms of the Bond Instrument.

28. RELEASES

Upon the expiry of the Security Period, the Security Trustee shall, at the request and cost of the Company, take whatever action is necessary to release and reassign to the Company:

28.1.1 its rights arising under this Deed;

28.1.2 the Secured Assets from the Security created by and under this Deed, and return all documents or deeds of title delivered to it under this Deed.

29. CURRENCY CLAUSES

If a payment is made to the Security Trustee under this Deed in a currency (the “**Payment Currency**”) other than the currency in which it is expressed to be payable (the “**Contractual Currency**”), the Security Trustee may convert that payment into the Contractual Currency at the rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Company will remain liable for such shortfall.

30. CERTIFICATES AND DETERMINATIONS

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

31. COUNTERPARTS

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

32. GOVERNING LAW AND JURISDICTION

32.1 Governing law

32.1.1 This Deed will be governed by and construed in accordance with English law and all claims and disputes arising out of or in connection with this Deed, its subject matter, negotiation or formation (whether or not contractual in nature) will be determined in accordance with English law.

32.1.2 If in any court any Party argues that a court other than the courts of England and Wales has jurisdiction to determine any dispute or difference between the Parties, or any of them, arising out of or in connection with this Deed (whether or not contractual in nature) that issue shall be determined in accordance with English law, and each Party irrevocably and unconditionally waives any right it might otherwise have to rely upon the law of the forum or any other law.

32.2 Enforcement and jurisdiction

32.2.1 Each Party submits to the exclusive jurisdiction of the courts of England and Wales in relation to all claims, disputes, differences or other matters arising out of or in connection with this Deed provided that nothing in this clause 32.2.1 shall prevent the Security Trustee in its sole and unfettered discretion, from commencing proceedings against the other Party in any court of competent jurisdiction.

32.2.2 The Company irrevocably waives any right that it may have:

- (a) to object on any ground to an action being brought in the courts of England and Wales, to claim that the action brought in the courts of England and Wales has been brought in an inconvenient forum, or to claim that the courts of England and Wales do not have jurisdiction; and
- (b) to oppose the enforcement of any judgment of any court of England and Wales.

32.3 Service of process

Each Party agrees that, without prejudice to the validity of any other mode of service, any document in an action (including, but not limited to, any claim form, application notice or other originating process) may be served on any Party by being delivered to or left for that Party at its address for service of notices under clause 24 (Notices).

This Deed has been executed into and delivered as a deed on the date stated at the beginning of this Deed.

NOTE TO COMPANY: THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING AND SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND. IF YOU SIGN AND THE SECURITY TRUSTEE AND/BONDHOLDERS ARE NOT PAID YOU MAY LOSE THE CHARGED PROPERTY.

SIGNATURES

COMPANY

Executed as a deed by
SKILLS MATTER LIMITED
acting by a director in the presence of:
[REDACTED]
Signature of Witness

)
)
)
)
)

1
[REDACTED]
Director
WENDY DEVOLDER

Name

KIRSTY BELL

Address

CMS, CANNON PLACE,

78 CANNON STREET,

LONDON, EC4N 6AF

Occupation

SOLICITOR

SECURITY TRUSTEE

Executed as a deed by
STUART DEAN

)
)

.....

Signature of Witness

Name

.....

Address

.....

.....

.....

Occupation

.....

NOTE TO COMPANY: THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING AND SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND. IF YOU SIGN AND THE SECURITY TRUSTEE AND/BONDHOLDERS ARE NOT PAID YOU MAY LOSE THE CHARGED PROPERTY.

SIGNATURES

COMPANY

Executed as a deed by)
SKILLS MATTER LIMITED)
acting by a director in the presence of:) Director
.....)
Signature of Witness)

Name

Address

Occupation

SECURITY TRUSTEE

Executed as a deed by)
STUART DEAN)

Signature of Witness

Name *Frederick Lyden-Jones*

Address
.....
.....

Occupation *Director of Personnel Services*