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CHFP025

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in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

Name of company

* The Everton Football Club Company Limited ("Club")

Date of creation of the charge

18 March 2002

Description of the instrument (if any) creating or evidencing the charge (note 2)

Share Charge ("Charge") made between (1) Club and (2) Prudential Trustee Company Limited ("Trustee")

Amount secured by the mortgage or charge

All monies, debts and liabilities which may at any time be or become due, owing or incurred, actually or contingently, by the Issuer to:

- (a) the Trustee, in its capacity as such in relation to the Notes (PLEASE SEE THE APPENDIX FOR ALL DEFINED TERMS) and in respect of any Liabilities incurred by the Trustee in relation thereof;
- (b) the Noteholders in respect of principal, interest or other amounts payable in respect of the Notes; and
- (c) the other Secured Creditors under the Transaction Documents. ("Secured Issuer Obligations")

Names and addresses of the mortgagees or persons entitled to the charge

Prudential Trustee Company Limited (in its capacity as Trustee) 142
Holborn Bars, London

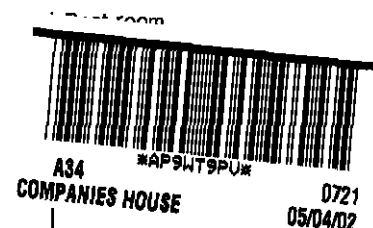
Postcode EC1N 2NH

Presentor's name address and
reference (if any):

DLA
Fountain Precinct
Balm Green
Sheffield
S1 1RZ
2703RDM10

Time critical reference

For official Use
Mortgage Section



Short particulars of all the property mortgaged or charged

The Club charged with full title guarantee in favour of the Trustee as security for the payment and discharge of the Secured Issuer Obligations, by way of first fixed charge all of the Club's right, title and interest from time to time in and to the Issuer Shares.

Notes:

1. Whilst an Event of Default has occurred and is continuing or if requested to do so by the Club, the Trustee may by deed or otherwise (acting through an authorised officer of the Trustee) without prior notice to the Club:

(a) appoint one or more persons to be a Receiver of the whole or any part of the Club Charged Asset;

(b) remove (so far as is lawfully able) any receiver so appointed; and

(c) appoint another person(s) as an additional or replacement Receiver(s)

(continued)

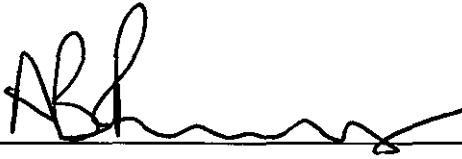
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Particulars as to commission allowance or discount (note 3)

Nil

Signed



Date

3 April 2002

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF4 3UZ

2. The Charge contains a power of attorney by the Club in favour of the Trustee.

3. This document should be read in conjunction with the schedule of defined terms attached as the appendix.

4. Negative Pledge: the Club undertook that it shall not, at any time during the subsistence of the Charge, create or permit to subsist any Encumbrance over all or any part of the Club Charged Asset except in accordance with the terms of the Transaction Documents.

5. No disposal of interests: the Club undertook that it shall not (and shall not agree to) at any time during the subsistence of this Share Charge, except as permitted pursuant to the Transaction Documents:

(a) execute any conveyance, transfer or assignment of all or any part of the Club Charged Asset; or

(b) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Club Charged Asset; or

(c) allow any person to become entitled to assert any proprietary interest in, or right over, the Club Charged Asset, which may, in each case, adversely affect the value of any of the Club Charged Asset or the ability of the Issuer to exercise any of the Collateral Rights.

6. The Charge contained further assurances.

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binding margin

Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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Schedule of Defined Terms to be read in conjunction with Forms 395

1. The following defined terms have the meanings set out below:

"Account Bank" at any time means Allied Irish Banks, p.l.c. or any other Eligible Bank holding any of the Accounts appointed as a successor Account Bank pursuant to the Cash Management Agreement;

"Accounts" means the Stadium Accounts and the Issuer Operating Account and **"Account"** means any of them;

"Act" means the Law of Property Act, 1925;

"Administration Agreement" means the administration agreement dated on or about the date hereof between the Administrator, the Issuer and the Trustee;

"Administrator" means the Club or any person from time to time acting as administrator of the Issuer in accordance with the provisions of the Administration Agreement;

"Affiliate" means, at any time, and with respect to any person, any other person that at such time directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such first person. Unless the context otherwise clearly requires, any reference to an **"Affiliate"** is a reference to an Affiliate of an Obligor;

"Agents" means the Registrar and the Paying Bank, or either of them as the context so requires;

"agreed form" means that the form of the document in question has been agreed between the proposed parties thereto and that either a copy thereof has been signed for the purpose of identification on behalf of Weil, Gotshal & Manges and DLA or such document has been signed on behalf of the parties thereto and delivered to Weil, Gotshal & Manges to be held in escrow pending release on the Closing Date;

"Ancillary Services" has the meaning given to it in Clause 2.1 of the Service and Agency Agreement;

"Announcement Date" has the meaning given to it in Clause 7.1 of the Cash Management Agreement;

"Appointee" has the meaning given to it in Clause 1.1 of the Trust Deed;

"Arranger" means Bear, Stearns International Limited;

"Auditors" means Deloitte & Touche or such other internationally recognised firm of independent auditors licensed to practice in England and Wales as may be approved by the Issuer and the Trustee (acting reasonably);

"Authorised Investments" means, at any time in respect of monies standing to the credit of any Investment Account, any of the following investments which has a scheduled maturity no later than the day preceding the date of any anticipated withdrawal of the proceeds of such investments from such Account:

- (a) gilt-edged securities and other freely transferable and marketable debt securities issued by the Government of the United Kingdom, denominated in sterling and which constitute direct, primary and unsubordinated obligations;
- (b) bonds or notes of or guaranteed by any company or corporation, supranational entity or sovereign, the unsecured, unguaranteed and unsubordinated medium term obligations of which have a medium term senior debt rating of AA- or better issued by Standard & Poor's or Aa3 or better issued by Moody's;
- (c) certificates of deposit or commercial paper, denominated in sterling, constituting direct, primary and unsubordinated obligations and having an outstanding maturity of less than 3 months from the date of purchase by or on behalf of Stadium, which has a short term senior debt rating of A-1 or better issued by Standard & Poor's and P-1 or better issued by Moody's; and
- (d) call or fixed deposits, certificates of deposit of an institution under the Banking Act 1987 or a European authorised institution within the meaning of the Banking Coordination (Second Council Directive) Regulations 1992 which has lawfully established a branch in the United Kingdom for the purposes of accepting deposits or other repayable funds from the public and which has a short term senior debt rating of A-1 or better issued by Standard & Poor's and P-1 or better issued by Moody's;

"Authorised Signatory" means, in relation to an Obligor, any person who is duly authorised (in such manner as may be reasonably acceptable to the Issuer and the Trustee) and in respect of whom the Issuer and the Trustee has received a certificate signed by a director or another Authorised Signatory of such Obligor setting out the name and signature of such person and confirming such person's authority to act;

"Away Supporters' Tickets" means tickets for Home Matches, Cup Matches and Friendly Matches allocated to and sold to supporters of Visiting Clubs;

"Beneficiaries" means each of the Issuer, the Trustee and the Noteholders;

"Borrowed Moneys" see **"Indebtedness for Borrowed Money"**;

"Buildings" means any of the buildings, erections or structures on or at any time in the Ground;

"Business" means the running of a professional football club including participation in ancillary income generating activities and/or charitable or community projects;

"Business Day" means a day (other than a Saturday or Sunday) on which banks generally are open for business and settle payments in London;

"Capital Stock" of any person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (howsoever designated) equity of such person, including any preferred stock, but excluding any debt securities convertible into such equity;

"Cash Cover" means, in respect of any Collection Period, the ratio of Ticket Income for such Collection Period to the aggregate amount of Scheduled Principal and Scheduled Interest to be paid on the Scheduled Payment Date immediately following the expiry of such Collection Period;

"Cash Management Agreement" means the cash management agreement dated on or about the date hereof between the Issuer, the Obligors, the Trustee, the Account Bank and the Registrar;

"Cash Manager" means the Club in its capacity as cash manager under the Cash Management Agreement;

"cessation date" has the meaning given to it in the Cash Management Agreement;

"cessation notice" has the meaning given to it in the Cash Management Agreement;

"Certificate of Title" means a certificate of title relating to the Ground, in form and substance satisfactory to the Issuer and the Investors, addressed to the Issuer, the Investors, and the Trustee and prepared by Cuff Roberts, solicitors for Stadium;

"Change of Control Date" means the date on which any person, or group of connected persons (other than the Exempt Group), which would not be held under Section 416 of the Taxes Act to have, at the Closing Date, control of the Club, acquires such control;

"Change of Control Notice" has the meaning given to it in Condition 7(b);

"Closing Date" has the meaning set out in Clause 1.1 of the Note Purchase Agreement;

"Club" means The Everton Football Club Company Limited (registered number 36624) with registered office at Goodison Park, Goodison Road, Liverpool L4 4EL;

"Club Charged Asset" means all the assets and undertaking of the Club from time to time charged in favour of, or assigned (whether at law or in equity) to, the Trustee by or pursuant to the Share Charge;

"Club Charged Property" means all the assets and undertaking of the Club from time to time charged in favour of, or assigned (whether at law or in equity) to, the Issuer by or pursuant to the Club Debenture excluding all Floating Charge Assets until the crystallisation of the floating charge constituted under Clause 4.1 (*Floating Charge*) of the Club Debenture over such Floating Charge Assets;

"Club Debenture" means the debenture to be granted by the Club in favour of the Issuer;

"Club Guarantee" means the guarantee of the Club contained in the Stadium Loan Agreement;

"Club Licence" means the licence to enter upon the Existing Stadium granted to Club under the Service and Agency Agreement for the purposes of performing the duties of Manager thereunder;

"Code" has the meaning given to it in Clause 1.1 of the Note Purchase Agreement;

"Collateral Rights" means all rights, powers and remedies of the Issuer provided by or pursuant to the Stadium Debenture or the Club Debenture or all rights, powers and remedies of the Trustee provided by or pursuant to the Share Charge, as the case may be;

"Collection Account" means the account of Stadium to be known as the **"Collection Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Collection Commencement Date" means, in respect of each Collection Period, the Announcement Date falling within such Collection Period provided that if the Season Tickets Cash Cover for the previous Collection Period is less than 1, then the Collection Commencement Date for such Collection Period shall be the Scheduled Payment Date on which such Collection Period commences;

"Collection Period" means each period commencing on (and including) each Scheduled Payment Date (or, in the case of the first such period, the Closing Date) and ending on (and including) the Business Day immediately preceding the next following Scheduled Payment Date;

"Compliance Certificate" means a certificate substantially in the form set out in Part A (in the case of a Compliance Certificate to be given by the Auditors) or Part B (in the case of a Compliance Certificate to be given by directors) of Schedule 4 (*Form of Compliance Certificate*) to the Stadium Loan Agreement;

"Conditions" means the terms and conditions to be endorsed on each Note Certificate, in the form or substantially in the form set out in Schedule 2 to the Trust Deed and any reference to a particular numbered Condition shall be construed in relation to the Notes accordingly;

"connected person" has the meaning given to it in the definition of Change of Control Date;

"Consolidated Gross Assets" means, at any date, the gross book value of the assets of the Restricted Group (inclusive of goodwill, player registrations, patents, trademarks, trade names, organisation expense, unauthorised debt discount and expense and other like intangibles), less reserves applicable thereto, all determined on a consolidated basis in accordance with GAAP as reflected in the latest consolidated balance sheet and adjusted to reflect any changes since such balance sheet;

"Consolidated Income" means, with reference to any period, the income of the Club and the Group for such period (taken as a cumulative whole), as determined in accordance with GAAP, after eliminating and offsetting debits and credits between the Club and its Subsidiaries (other than Unrestricted Subsidiaries);

"Consolidated Profits Before Interest and Tax" means, in respect of any Financial Year, the total operating profit of the Restricted Group for continuing operations, acquisitions (as a component of continuing operations) and discontinued operations as set out in UK Financial Reporting Standard 3 (but ignoring any exceptional operating items);

"Corporate Hospitality Packages" means any arrangement whereby the Manager provides to persons attending Matches at the Ground catering facilities in consideration of such persons paying a premium above the normal price of a Match Day Ticket;

"Cup Match" means any fixture of the Club staged at the Ground or which would have been staged at the Ground but which, at the direction of a Football Authority, is staged at a stadium other than the Ground as part of the Club's participation in the U.E.F.A. European Champions League, the U.E.F.A. Cup, the F.A. Cup, the Football League Cup, the F.I.F.A. World Club Championship (or any successor competition to any of them) and any other competition sanctioned by the country association of which the Club is a member;

"Debt Service Account" means the account of Stadium to be known as the **"Debt Service Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Debt Service Cover Date" means, in respect of any Collection Period, the date on which the balance on the Debt Service Account first reaches the Debt Service Required Amount for such Collection Period;

"Debt Service Required Amount" means, in respect of any Collection Period, Scheduled Debt Service for such Collection Period Provided that for the last such Collection Period and so long as the credit balance on the Debt Service Reserve Account for such Collection Period is at all times equal to the Debt Service Reserve Required Amount, the Debt Service Required Amount shall mean an amount equal to Scheduled Debt Service for such Collection Period less the Debt Service Reserve Required Amount for such Collection Period;

"Debt Service Reserve Account" means the account of Stadium to be known as the **"Debt Service Reserve Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Debt Service Reserve Required Amount" means, at any time, the amount required pursuant to Clause 10 of the Stadium Loan Agreement to be established and maintained by Stadium in the Debt Service Reserve Account;

"Deductibles" has the meaning given to it in Clause 17.3(a) of the Cash Management Agreement;

"Deed of Subordination" means the deed of subordination dated on or about the date hereof between the Club, Stadium and the Issuer;

"Default Interest Period" means, in relation to an Unpaid Sum under the Stadium Loan Agreement, each period determined in accordance with Clause 23.1 (Default Interest Periods) thereof;

"Determination Date" means the date on which a determination is made in accordance with the provisions of Clauses 8.4 to 8.6 of the Cash Management Agreement;

"Director's Certificate" means, in respect of any person, a certificate in respect of the relevant matter(s) in a form reasonable satisfactory to, and addressed to, the Trustee and the Issuer and signed by two directors of such person (to include wherever practical to do so the finance director);

"Discounted Value" has the meaning given to it in Condition 1;

"Distribution" means the declaration or payment of any cash dividend or the making of any other cash payment or distribution on account of Capital Stock, including any cash purchase of such Capital Stock;

"Drawdown Date" means the Closing Date;

"Eligible Bank" means any bank authorised to conduct deposit taking business under the Banking Act 1987 which provides cheque clearing services to its customers and, in the case of any bank appointed after the date of this Schedule, which does not at the time of its proposed appointment have a short term debt rating as rated by Moody's and Standard & Poor's which is lower than the short term debt rating issued by Moody's and Standard & Poor's for the Account Bank which is seeking to resign at the time of its proposed resignation;

"Encumbrance" means (a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person, (b) any arrangement under which money or claims to, or the

benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person or (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect;

"Enforcement Event" means, in relation to the Club Debenture or the Share Charge, (a) the occurrence of an Event of Default under the Stadium Loan Agreement, (b) crystallisation of any floating charge created under any document to which the Club is a party (other than the Chattel Floating Charge), (c) the Club is in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets, which would reasonably be likely to cause a Material Adverse Effect provided this would only constitute an Enforcement Event for so long as there is any floating charge created by the Club (save for the floating charge created in favour of the Issuer or the Chattel Floating Charge) or any security created by the Club which would enable the security holder to exercise any right or power over any assets of the Club other than assets which are subject to such security;

"Enforcement Notice" means a notice given by the Trustee under Condition 12 causing the Notes to become immediately due and repayable;

"Environment" means all or any part of the air (including without limitation the air within buildings and the air within other natural or man made structures above or below ground), water (including surface water and ground water) and land and any living organisms or systems supported by those media;

"Environmental Claim" means any claim, proceedings, or investigation by any person pursuant to any Environmental Law;

"Environmental Laws" means any applicable law and all applicable statutes, regulations and subordinate legislation of the relevant jurisdiction, any applicable common laws and all regulations lawfully imposed by any environmental agency or competent local authority in any jurisdiction in which any member of the Restricted Group conducts business which relates to the pollution or protection of the Environment or harm to or the protection of human health or the health of animals or plants and is applicable to the relevant member of the Restricted Group;

"Environmental Permits" means any permit, licence, consent, approval and other authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Restricted Group conducted on or from the properties owned or used by the relevant member of the Restricted Group;

"ERISA" has the meaning given to it in Clause 1.1 of the Note Purchase Agreement;

"ERISA Affiliate" has the meaning given to it in Clause 1.1 of the Note Purchase Agreement;

"Event of Default" means any event of default (as so described) under any of the Notes or the Stadium Loan Agreement as the context may require;

"Excluded Documents" has the meaning given to it in Clause 3.1(c) of the Issuer Deed of Charge;

"Executive Box Packages" means any arrangement whereby one or more persons is granted a licence to use a furnished box at the Ground for all Home Matches and Cup Matches including the Club's first team in consideration for the payment of a licence fee;

"Exempt Group" means True Blue Holdings Limited and/or any of the directors of the Club and/or their respective connected persons (which for these purposes shall also include any Family Trust) for so long as they own as least the legal and beneficial title, in aggregate, of more than 50% of the outstanding share capital of the Club carrying voting rights;

"Exercise Notice" has the meaning given to it in Condition 7(b);

"Existing Stadium" means the football stadium at Goodison Park, as more particularly described in the Certificate of Title;

"Existing Stadium Revenue" means any payments received by Stadium from Club under the Club Licence and the gross proceeds of Relevant Sales (including, any amounts received by Stadium in respect of VAT chargeable thereon) save that, in the case of Corporate Hospitality Packages and Executive Box Packages, the extent of gross proceeds of Relevant Sales to be included in Stadium Revenue shall be:

- (a) where the Corporate Hospitality Package or Executive Box Package is for one Season or part of a Season (i) the price (or part thereof) of the equivalent Season Ticket (in the case of Corporate Hospitality Packages) or (ii) the price of the most expensive Season Ticket (in the case of Executive Box Packages) in each case for the relevant Season; and
- (b) where the Corporate Hospitality Package or Executive Box Page is a Multiple Season Package, the price of the Season Ticket for each Season included in the Multiple Season Package as notified to the Cash Manager and the Trustee in accordance with Clause 8.4(a) of the Cash Management Agreement;

"Expenses" means, in respect of a Financial Year or any part of a Financial Year or any Collection Period or part thereof as the context requires, all costs charges or expenses which are incurred, or budgeted, or reasonably anticipated to be incurred, or reimbursable or payable by or on behalf of Stadium pursuant to any of the Transaction Documents (whether or not in respect of the Ground) during that year (or such part), together with, in each case, any VAT chargeable thereon, which shall include, without limitation, the following:

- (a) outgoings and assessments in relation to the Ground;
- (b) premiums for insurance effected in accordance with the provisions of the Service and Agency Agreement and required in relation to the Ground;
- (c) utility costs;
- (d) payments required under maintenance contracts (whether for heating, ventilation, air conditioning, elevators, landscape maintenance, pest extermination, security or the like);
- (e) maintenance and repair costs;
- (f) permits, licences and registration fees;
- (g) legal expenses;
- (h) the costs of any surveys, inspections, environmental assessments or the like;

- (i) litigation expenses of Stadium (including but not limited to surveyors, experts and legal fees);
- (j) all fees and charges (including any VAT chargeable thereon) payable to the Account Bank as contemplated in Clause 22.2 of the Cash Management Agreement;
- (k) all fees, expenses and costs (including any VAT chargeable thereon) payable to the Trustee, and all stamp duties and other taxes and duties, as contemplated in Clause 10 of the Trust Deed;
- (l) all fees (including any VAT chargeable thereon) payable to the Administrator as contemplated in Clause 7.1 of the Administration Agreement;
- (m) all fees, expenses and costs (including any VAT chargeable thereon) payable to the Agents, and all stamp duties and other taxes and duties, as contemplated in Clause 8 of the Registrar and Paying Bank Agreement;
- (n) all fees, expenses and costs (including any VAT chargeable thereon) payable to or by the Issuer or the Trustee, as the case may be, and all stamp duties and other taxes and duties, as contemplated in Clauses 22.1 to 22.4 (inclusive) of the Stadium Loan Agreement and Clauses 6 and 7 of the Note Purchase Agreement;

“Facility” means the £30,000,000 sterling term loan facility granted by the Issuer to Stadium pursuant to the Stadium Loan Agreement;

“Family Trust” means, a settlement under which no one other than the relevant person, his spouse or his children (including adopted children) and any descendent (including any not yet born) of any children is entitled to a beneficial interest;

“Finance Liabilities” means the indebtedness (present and future, actual or contingent) of the Obligor and the Issuer under the Relevant Documents;

“Finance Liabilities Discharge Date” means the date upon which all Finance Liabilities have been fully and irrevocably paid or discharged and no further Finance Liabilities are capable of becoming outstanding;

“Financial Indebtedness” means any indebtedness (but without double counting) for or in respect of:

- (a) Indebtedness for Borrowed Money;
- (b) any documentary credit facility;
- (c) any interest rate swap, currency swap, forward foreign exchange transaction, cap, floor, collar or option transaction or any other treasury transaction or any combination thereof or any other transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and the amount of the Financial Indebtedness in relation to any such transaction shall be calculated by reference to the mark-to-market valuation of such transaction at the relevant time); and
- (d) any guarantee, indemnity, bond, standby letter of credit or any other instrument issued in connection with the performance of any contract or other obligation;

"Financial Statements" means the most recent annual audited statements of any of the Obligor;

"Financial Year" means the period of 12 months ending on 31 May in each year or such other period as may be approved by Issuer and the Trustee;

"Floating Charge Asset" means any of the assets and undertaking of the Club not expressed under the Club Debenture to be the subject of any fixed Security Interest granted in favour of Issuer as security for the Secured Club Obligations and which is the subject of the floating charge constituted under Clause 4.1 (*Floating Charge*) of the Club Debenture;

"Football Association" means The Football Association Limited;

"Football Association Rules" means the rules and regulations for the time being of the Football Association;

"Football Authorities" means such of the Football Association, the Football Association Premier League Limited, the Football League (as the case may be), the Federation of International Football Associations (FIFA), the Union of European Football Associations (UEFA) and/or any other regulatory body from time to time regulating association football or other sporting activities where regulations are for the time being required to be observed by Stadium or the Club and **"Football Authority"** shall be construed accordingly;

"Football Entertainment" means the participation by the Club or any successor entity trading as "Everton Football Club" (or a similar name) in professional football matches;

"Football League" means The Football League Limited;

"Force Majeure" means an event beyond the reasonable control of a party to a Transaction Document including, without limitation, strike, lock-out, labour dispute, act of God, war, riot, civil commotion, malicious damage, compliance with the law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, floods and storm;

"Freehold Land" means the freehold land detailed in the Certificate of Title upon which the Existing Stadium is built;

"Friendly Match" means any fixture of the Club to be played at the Ground other than a Home Match, Cup Match, Youth Fixture or Reserve Fixture;

"GAAP" means generally accepted accounting principles generally applied in the United Kingdom;

"Gross Revenue" has the meaning given to it in Clause 17.3(b) of the Cash Management Agreement;

"Ground" means Goodison Park, being the Freehold Land or the New Stadium, in each case including all buildings, erections and structures now or at any time in, on or about the same and all fixtures and fittings in or about the same and all alterations or additions made to the same;

"Ground Acquisition Documents" means the agreement dated on or about the date hereof between the Club and Stadium in relation to the purchase of the Ground by Stadium from the Club;

“Ground Safety Certificate” means the ground safety certificate issued in respect of the Ground by Liverpool City Council under the Safety of Sports Grounds Act 1975 (or any successor ground safety certificate issued under relevant legislation);

“Group” or “Obligor Group” means the group comprising the Club and its Subsidiaries (but not Unrestricted Subsidiaries) from time to time (provided always that in the event that the Club shall become the Subsidiary of any other person then the Group shall thereafter comprise that person or, as the case may be, that person’s holding company from time to time and, as the case may be, its Subsidiaries from time to time and references to the Club in the Stadium Loan Agreement, except where the same are intended to apply solely to the giver of the Club Guarantee, shall thereafter be read and construed, *mutatis mutandis*, and as the context shall require as references to such person or, as the case may be, such person’s holding company) and **“member of the Group”** or a **“member of the Obligor Group”** shall be construed accordingly;

“Guarantor” means the Club;

“Hazardous Substance” means any substance which is capable of causing harm or damage to the Environment or to humans or any living creature or organism at the Ground which is present in or under the Ground at any time;

“Health and Safety Legislation” means legislation in the United Kingdom which applies specifically to workplace health, safety and welfare maintenance;

“Holder” has the meaning given to it in Condition 3(a);

“Holding” has the meaning given to it in Condition 2(a);

“Home Match” means any League fixture of the Club’s first team which is staged at the Ground or which would have been staged at the Ground but which, at the direction of a Football Authority or otherwise due to the unavailability of the Ground, is staged at an alternative stadium on a temporary basis in accordance with Clause 15.10 of the Stadium Loan Agreement;

“Indebtedness for Borrowed Money” means at any time any (but without double counting) indebtedness of any member of the Restricted Group for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles in the relevant jurisdiction, be treated as a finance or capital lease;
- (e) the amount of any liability in respect of any deferred purchase agreement if one of the primary reasons for entering into such agreement is to raise finance;
- (f) receivables with a maturity of less than a year sold or discounted (other than on a non-recourse basis);

- (g) any agreement or option to re-acquire an asset if one of the primary reasons for entering into such agreement or option is to raise finance;
- (h) the deferred amount of any transfer fees payable by the Club in respect of the transfer of a Professional Footballer's registration (less the deferred amount of any transfer fees payable to the Club in respect of the transfer of a Professional Footballer's registration if such amount is guaranteed by a bank whose rating on its unsecured, unsubordinated and unguaranteed long-term debt is at least A or its equivalent by an internationally recognised rating agency or if such amount is due within a year and the party from whom payment is due is not subject to any liquidation, administration, receivership or other insolvency or bankruptcy proceeding) to the extent that such obligation is treated as borrowings under GAAP;
- (i) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above; and
- (k) for the purposes of Clause 15.2 of the Stadium Loan Agreement only, the amount of any investment made by the Club and/or any other Restricted Subsidiary in the Capital Stock of a Subsidiary designated as an Unrestricted Subsidiary in accordance with Clause 20 of the Stadium Loan Agreement, either prior to or at the same time of such designation;

"Insolvency Event" means, in respect of any person, any of the following:

- (a) an encumbrancer takes possession of, or a trustee is appointed in respect of, all or any material part of the business or assets of such person, or any mortgage or charge, howsoever created or arising, over any of its assets is enforced
- (b) such person enters into any scheme or arrangement (other than for the purpose of reconstruction or amalgamation upon such terms and within such period as may previously have been approved in writing by Stadium);
- (c) such person has a receiver (which expression shall include an administrative receiver within the meaning of Section 29 of the Insolvency Act 1986) of the whole or any material part of its assets or undertaking appointed;
- (d) such person has an administration order under Section 8 of the Insolvency Act 1986 made in relation to it;
- (e) such person passes any resolution for winding-up (other than a resolution previously approved in writing by Stadium); or
- (f) such person becomes subject to an order by the High Court for winding-up which has not been discharged within thirty days from the date of such order;

"Institutional Investor" has the meaning given to it by Clause 1.1 of the Note Purchase Agreement;

"Insurance Policies" means the insurance policy arranged under Clause 7 of the Services and Agency Agreement;

"Insurance Proceeds" means the proceeds of any Insurance Policy;

"Insurance Proceeds Account" means the account of Stadium to be known as the **"Insurance Proceeds Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Insured Risks" means the risks or contingencies as are insured under the Insurance Policies (for so long as they are required to subsist) and such other risks or contingencies which ought reasonably to be insured in accordance with sound commercial practice in relation to properties of the type comprised in the Ground;

"Inter-Company Loan" has the meaning given to it in Clause 17.5 of the Cash Management Agreement;

"Inter-Creditor Deed" means the inter-creditor deed to be entered into and made between, *inter alia*, the Club, the Issuer and the Trustee;

"Investment Accounts" bears the meaning given to such term in Clause 13 of the Cash Management Agreement;

"Investors" has the meaning given to it in the Note Purchase Agreement;

"Issue Documents" has the meaning given to it by Clause 1.1 of the Note Purchase Agreement;

"Issue Price" means 100 per cent. of the aggregate principal amount of the Notes to be issued from time to time;

"Issuer" means Everton Investments Limited (registered number 4349739) with registered office at Goodison Park, Goodison Road, Liverpool L4 4EL;

"Issuer Charged Property" means the property in respect of which security is created pursuant to the Issuer Deed of Charge;

"Issuer Deed of Charge" means the deed of charge to be granted by the Issuer in favour of the Trustee as security for its obligations under and in respect of the Notes;

"Issuer Monetary Claims" means any book and other debts and monetary claims owing to the Issuer and any proceeds thereof (including the proceeds of any insurance policy, any court order or judgement, any contract or agreement to which the Issuer is a party and any other assets, property, rights or undertaking of the Issuer);

"Issuer Operating Account" means the account of the Issuer to be known as the **"Issuer Operating Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Issuer Shares" means all of the shares in the capital of the Issuer held by, to the order or on behalf of the Club at any time;

"Issuer's Business" has the meaning given to it in Clause 1.2 of the Administration Agreement;

"League" means The Football Association Premier League or, as the case may be, The Football League (or, in either case, any successor or body thereto) or, in the case of any European or world league, the governing authority in respect of each such league;

"Ledger" has the meaning given to such term in Clause 12.4 of the Cash Management Agreement;

"Liabilities" means any loss, damage, cost, charge, claim, demand, expense, judgement, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and any interest and penalties in respect thereof and including any irrecoverable value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

"Loan Scheduled Interest" has the meaning given to it in Clause 5.1 (*Payment of Interest*) of the Stadium Loan Agreement;

"Loan Scheduled Principal" has the meaning given to it in Clause 6 (*Repayment*) of the Stadium Loan Agreement;

"Majority Noteholders" means Noteholders holding more than half of the outstanding principal amount of the Notes;

"Make-Whole Amount" has the meaning given to it in Condition 1;

"Management Fee" has the meaning given to it in Clause 17.3 of the Cash Management Agreement;

"Management Fee Percentage" means 99.99 per cent.;

"Management Services" means the services to be provided by the Manager under the Service and Agency Agreements other than the provision of Football Entertainment and ancillary duties as set out in the Schedule to the Service and Agency Agreement;

"Manager" means the Club in its capacity as manager under the Service and Agency Agreement;

"Mandate" means, in respect of each Account, the bank mandate to be entered into between the Account Bank and Stadium or the Issuer (as applicable) in respect of such Account as the same may be varied or supplemented pursuant to the Cash Management Agreement;

"Margin" means 0.01% or such other amount as determined by the Cash Manager in accordance with Clause 24 of the Cash Management Agreement;

"Match" means a Home Match, Cup Match, Friendly Match, Reserve Fixture or Youth Fixture scheduled to be staged at the Ground (or, in the case of Cup Matches, any ground) other than a Testimonial Match and **"Matches"** shall be construed accordingly;

"Match Day Ticket" means a ticket entitling the purchaser thereof to attend a particular Match and **"Match Day Tickets"** shall be construed accordingly;

"Material Adverse Effect" is to be construed as a reference to an event or matter having a material adverse effect on:

- (a) the present or future financial condition or revenues of the Restricted Group as a whole; or
- (b) the present or future ability of an Obligor duly to perform all or its payment obligations which it is expressed to undertake under any of the Relevant Documents;

"Material Subsidiary" means a Restricted Subsidiary which contributes not less than 10 per cent. of the Restricted Group's:

- (a) gross revenue;
- (b) Consolidated Profits before Interest and Tax; or
- (c) Consolidated Gross Assets;

"Maximum Aggregate Principal Amount" means £30,000,000;

"Monthly Period" means the period from and including the first day of a calendar month to and including the last day of a calendar month;

"Moody's" means Moody's Investors Service Inc. and any successor to its rating business;

"Multiple Season Account" means the account of Stadium to be known as the **"Multiple Season Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Multiple Season Package" means any Season Ticket, Executive Box Package or Corporate Hospitality Package relating to more than one Season;

"Naming Rights" means the right, whether exclusive or otherwise, of a person to designate the name of the Ground or any part thereof, together with all rights associated with the right to designate the name of the Ground, such as, without limitation, the right of such person to erect signage on or at the Ground, to have all merchandising and marketing materials (including stationery, brochures and advertising) relating to the Ground to carry the designated name;

"Naming Rights Agreement" means any agreement between the Club or one of its Subsidiaries and another person for the purposes of granting Naming Rights to such person;

"New Stadium" means the new stadium referred to in Clause 19 of the Stadium Loan Agreement;

"New Stadium Revenue" means any payments received by Stadium from the Club under the Club Licence and the gross proceeds of Relevant Sales (including any amounts received by Stadium in respect of VAT chargeable thereon) in respect of a New Stadium save that, in the case of Corporate Hospitality Packages and Executive Box Packages, the extent of gross proceeds of Relevant Sales to be included in Stadium Revenue shall be:

- (a) where the Corporate Hospitality Package or Executive Box Package is for one Season or part of a Season (i) the price (or part thereof) of the equivalent Season Ticket (in the case of Corporate Hospitality Packages) or (ii) the price of the most expensive Season Ticket (in the case of Executive Box Packages), in each case for the relevant season; and

- (b) where the Corporate Hospitality Package or Executive Box Page is a Multiple Season Package, the price of the Season Ticket for each Season included in the Multiple Season Package as notified to the Cash Manager and the Trustee in accordance with Clause 8(a) of the Cash Management Agreement;

“Non-Recourse Debt” means Indebtedness for Borrowed Money:

- (a) as to which neither the Club nor any Restricted Subsidiary (i) provides any guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness for Borrowed Money); (ii) is directly or indirectly liable (as guarantor or otherwise) or (iii) has received the proceeds (or any part thereof) in respect thereof, whether through on-lending by an Unrestricted Subsidiary to such member of the Restricted Group or otherwise; and
- (b) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness for Borrowed Money in excess of £1,000,000 of the Club or any Restricted Subsidiary to declare a default under such other Indebtedness for Borrowed Money or cause the payment thereof to be accelerated or payable prior to its stated maturity;

“Note Certificate” means any registered Note Certificate representing a Noteholder’s holding of Notes, in, or substantially in, the form set out in Schedule 1 to the Trust Deed;

“Noteholder” and, in relation to a Note, **“Holder”** has the meaning given to such terms in the Conditions;

“Note Purchase Agreement” means the Note Purchase Agreement between the Issuer and the Investors dated on or about the date hereof relating to the Notes;

“Notes” means the £30,000,000 7.79 per cent. Senior Secured Notes due 2026 of the Issuer in registered form, constituted and secured by the Trust Deed and the Issuer Deed of Charge, respectively;

“Notice of Drawdown” means a notice substantially in the form set out in Schedule 1 (*Form of Notice of Drawdown*) to the Stadium Loan Agreement;

“Notional Ticket Price” means, in respect of a Multiple Season Package, the price of a Season Ticket for each Season covered by the Multiple Season Package as determined by Stadium in good faith for the purpose of setting the price for such Multiple Season Package (less any discount applied in good faith by virtue and for the purpose of the forward sale of such tickets) save that, for the purposes only of calculating Stadium Revenue in respect of Corporate Hospitality Packages and Executive Box Packages, the Notional Ticket Price shall be not less than either:

- (a) the actual price of an equivalent Season Ticket (in the case of a Corporate Hospitality Package) or the actual price of the most expensive Season Ticket (in the case of an Executive Box Package), (in each case less any applicable discount as mentioned above) in each case for any Season covered by such Multiple Season Package (where the actual price of an equivalent Season Ticket or the actual price of the most expensive Season Ticket, as the case may be, is known on the date the price of such Multiple Season Package is set); or

- (b) the price Stadium reasonably believes would be the price of an equivalent Season Ticket or the price of the most expensive Season Ticket, as the case may be (in each case less any applicable discount as mentioned above), for each Season covered by such Multiple Season Package as determined by Stadium in good faith on the date that the price of such Multiple Season Package is set and based on the assumption that the Club will compete in the same League in each Season covered by such Multiple Season Package as the League it in which it will compete in the first Season to be covered by the Multiple Season Package,
- (c) irrespective of whether any price in (a) or (b) above, was a price used in setting the price for such Multiple Season Package;

"Obligor Group" see **"Group"**;

"Obligors" means Stadium and the Club;

"Obligors' Secured Obligations" means together, the Secured Club Obligations and the Secured Stadium Obligations;

"Obligors' Security" means the security created by the Security Documents or otherwise in respect of the Obligors' Secured Obligations;

"Original Financial Statements" means, in relation to the Club, its audited consolidated financial statements for the financial year ended 31 May 2001;

"outstanding" means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full in accordance with these presents;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to such date for redemption) have been duly paid to the Trustee or by the Paying Bank in the manner provided for in the Registrar and Paying Bank Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 7 (*Redemption, Purchase and Cancellation*)) and remain available for payment in accordance with the Conditions;
- (c) those which have become void under Condition 13 (*Prescription*) or otherwise;
- (d) those mutilated or defaced Note Certificates which have been surrendered or cancelled and in respect of which replacement Note Certificates have been issued pursuant to Condition 14 (*Replacement of Note Certificates*);

provided that for each of the following purposes, namely:

- (a) any amendment or waiver in relation to the Notes or any Transaction Document;
- (b) the determination of how many and which Notes are for the time being outstanding for the purposes of Conditions 12 (*Acceleration*) and 17 (*Enforcement*); and
- (c) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer or any member of the Obligor Group) for the benefit of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

"Parachute Allowance" has the meaning given to it in Clause 13.1 of the Stadium Loan Agreement;

"Participating Member State" means a member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

"Paying Bank" means Allied Irish Banks, p.l.c. or a successor Paying Bank appointed in accordance with the Registrar and Paying Bank Agreement;

"Permitted Encumbrance" means any Encumbrance permitted under Clause 15.1 of the Stadium Loan Agreement;

"Permitted Indebtedness" means at any time any Indebtedness for Borrowed Money which would not result in a breach of the covenant set out in Clause 13.1(a) of the Stadium Loan Agreement as determined by reference to the most recently delivered financial statements pursuant to Clause 12.1 of the Stadium Loan Agreement;

"Permitted Jurisdiction" has the meaning given to it in Clause 15.7 of the Stadium Loan Agreement;

"Permitted Transferee" has the meaning given to it Condition 1;

"person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Placement Memorandum" means the placement memorandum dated January 2002 prepared in connection with the issue of the Notes, excluding any annexures thereto;

"Plan" has the meaning given to it by Clause 1.1 of the Note Purchase Agreement;

"Plans" means the plans, drawings, specification, bills of quantity, engineering calculations and other data relating to the works required for the purpose of carrying out the Project, including, as they are from time to time made, any variations, alterations and additions to the Plans;

"Planning Acts" means the Town and Country Planning Act 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 1998 and any other town and country planning or related legislation (including that relating to listed buildings);

"Potential Event of Default" means any event which would become (with the passage of time, the giving of notice, the making of any determination hereunder or any combination thereof) an Event of Default;

"powers" means, in relation to the Trustee, any Appointee or Receiver appointed by it under the Trust Deed or the Issuer Deed of Charge, their respective powers, authorities and discretions under the Trust Deed and the Issuer Deed of Charge as the case may be;

"Practical Completion" means the date of practical completion of the New Stadium as specified in the written statement of practical completion issued under the construction contract for the New Stadium;

"Premier League" means the Football Association Premier League Limited or its successor, including any European league;

"Premier League Rules" means the rules and regulations for the time being of the Premier League;

"Prior Ranking Expenses" means, to the extent not already paid by or on behalf of Stadium, in respect of any Collection Period, the aggregate of:

- (a) all fees, expenses and costs (including any VAT chargeable thereon) payable by the Issuer to the Trustee, and all stamp duties and other taxes and duties, as contemplated in Clause 10 of the Trust Deed other than additional fees, costs and expenses (including any VAT chargeable thereon) payable by the Issuer to the Trustee that have not been approved by the Majority Noteholders in accordance with Clause 10.1 of the Trust Deed;
- (b) all fees (including any VAT chargeable thereon) payable to the Administrator as contemplated in Clause 7.1 of the Administration Agreement; and
- (c) all fees, expenses and costs (including any VAT chargeable thereon) payable to the Agent, and all stamp duties and other taxes and duties, as contemplated in Clause 8 of the Registrar and Paying Bank Agreement;

"Professional Footballer" means a football player whose contract of employment is registered with the Football Association or any other relevant Football Authority or, as the context may require, the right, title and interest of a member of the Restricted Group in such player, contract or registration;

"Project" means the building and development of the New Stadium (as referred to in Clause 19 of the Stadium Loan Agreement);

"purchaser" has (in relation to any part of the Charged Property situated in England and Wales or governed by the law of England and Wales) the meaning given to it by Section 205 of the Act and includes any person dealing (including any person acquiring, for money or money's worth, any Security Interest over, or any other interest or right whatsoever in relation to, the Charged Property) in good faith;

"Put Date" has the meaning given to it in Condition 7(b);

"Put Period" has the meaning given to it in Condition 7(b);

"Rate of Interest" in the case of the Notes, has the meaning given to it in Condition 1 or, in the case of the Stadium Loan, the meaning given to it in Clause 1.1 of the Stadium Loan Agreement;

"Real Property" means:

- (a) any present or future freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 1 of the Stadium Debenture), and

- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,
- (c) in each case beneficially owned by Stadium and includes all Related Rights in relation to such assets;

"Receiver" means any person or persons qualified under the Insolvency Act 1986 to be a receiver, a receiver and manager or an administrative receiver;

"Records" means all contracts, other documents, books, records and other information (including computer programmes) maintained in relation to Ticket Income;

"Redeemed Principal" has the meaning given to it in Condition 1;

"Redemption Date" has the meaning given to it in Clause 9.3 of the Cash Management Agreement;

"Redemption Notice" has the meaning given to it in Condition 7(c);

"Registrar" means the Club or any successor Registrar appointed in accordance with Registrar and Paying Bank Agreement;

"Registrar and Paying Bank Agreement" means the agreement between the Issuer, the Registrar, the Paying Bank and the Trustee dated on or about the date hereof, relating to certain payment functions of the Paying Bank and functions of the Registrar relating to the Notes including, amongst other things, the maintenance of a register of Holders;

"Reimbursable Expenses" has the meaning given to it in Clause 17.2 of the Cash Management Agreement;

"Reinstatement Plan" has the meaning given to it in Clause 9.3 of the Cash Management Agreement;

"Reinvestment Yield" has the meaning given to it in Condition 1;

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset;

"Relevant Collection Period" means the Collection Period prior to the Collection Period in which the Club's first eleven begins to play its Matches at the New Stadium;

"Relevant Date" has the meaning given to it in the Conditions;

"Relevant Documents" means, in relation to any person, the Transaction Documents to which that person is expressed to be a party;

"Relevant Income" has the meaning given to it in Clause 13.1 of the Stadium Loan Agreement;

"Relevant Period" has the meaning given to it in Clause 13.1 of the Stadium Loan Agreement;

"Relevant Sales" means the sale and supply of:

- (a) Season Tickets;
- (b) Match Day Tickets;
- (c) Away Supporters' Tickets;
- (d) Executive Box Packages;
- (e) Corporate Hospitality Packages;
- (f) Multiple Season Packages; and
- (g) any other tickets or packages entitling purchasers thereof to attend one or more Stadium Events;

"Remaining Life" has the meaning given to it in Condition 1;

"Remaining Schedule Payments" has the meaning given to it in Condition 1;

"Repeated Representations" means each of the representations referred to in Schedule 5 (*Repeated Representations*) to the Stadium Loan Agreement;

"Reporting Date" has the meaning given to it in Clause 15.2 of the Cash Management Agreement;

"Required Amount" means, in respect of the Debt Service Account, the Debt Service Required Amount and, in respect of the Debt Service Reserve Account, means the Debt Service Reserve Required Amount;

"Requisite Consents" means those permissions, consents, approvals, licences, certificates and permits in legally effectual form whether statutory or otherwise as may be necessary lawfully to use and enjoy any part of the Ground as intended by the parties including:

- (a) planning permission and approval of reserved matters;
- (b) building regulations, consents and by-law approvals;
- (c) the requirements of all competent authorities regulating the use of the Ground; and
- (d) the consents of all parties having interests or rights in or over the Ground;

"Reserve Fixture" means a fixture to be played at the Ground involving the Club's second eleven team;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (b) to change the currency in which amounts due in respect of the Notes are payable (other than redenomination of the Notes pursuant to Condition 20);
- (c) to make any changes or consent to any changes to any Transaction Document which would have the effect of changing any provisions in the Transaction Documents relating to the items described in (a) and (b) above in respect of the Stadium Loan;
- (d) to release or discharge in whole or in part the security constituted by the Issuer Deed of Charge or the Obligors' Security (other than on or after the Finance Liabilities Discharge Date);
- (e) to reduce the amount required to be deposited in the Debt Service Reserve Account under Clause 10 of the Stadium Loan Agreement;
- (f) to alter the priority of payments set out in the Cash Management Agreement or Clause 7.3 of the Issuer Deed of Charge;
- (g) to change the provisions of any of (i) Clause 13 of the Note Purchase Agreement, (ii) Condition 16 or (iii) Clause 6 of the Trust Deed;
- (h) to agree to the substitution in place of the Issuer (or any other previous substitute) of another single purpose company;
- (i) to provide consent for the building of the New Stadium and the playing of Matches at such Stadium in accordance with Clause 19 of the Stadium Loan Agreement; or
- (j) to amend this definition;

"Restricted Group" means the Club and its Restricted Subsidiaries from time to time;

"Restricted Subsidiary" means any Subsidiary of the Club (other than the Issuer, Stadium and any Unrestricted Subsidiary) that is involved in the business of the Club or in activities relating thereto;

"Rights" means rights, authorities, discretions, remedies, liberties, interests, claims and powers, in each case of any nature whatsoever;

"Scheduled Debt Service" means, in respect of each Collection Period, the aggregate amount of principal and interest falling due for payment from Stadium under the Stadium Loan Agreement on the next following Scheduled Payment Date;

"Scheduled Interest" has the meaning given to it in the Conditions;

"Scheduled Principal" has the meaning given to it in the Conditions;

"Scheduled Payment Date" means the date upon which (a) Scheduled Interest and/or Scheduled Principal are due to be paid under the Conditions, and (b) Loan Scheduled Interest and/or Loan Scheduled Principal are due to be paid under the Stadium Loan Agreement;

"Season" means the period commencing on the date of the first League fixture on the League fixture list for a particular year and ending on the date of the last fixture on that League fixture list;

"Season Tickets Cash Cover" means, in respect of any Collection Period, the ratio of Ticket Income allocable to Season Tickets for such Collection Period to the aggregate amount of Scheduled Principal and Scheduled Interest to be paid on the Scheduled Payment Date immediately following the expiry of such Collection Period;

"Season Ticket" means a booklet of tickets entitling the purchaser thereof to attend all of the Home Matches and (where relevant) Cup Matches in a Season;

"Seasonal Required Amount" means, in respect of any Season, 100% of Scheduled Debt Service to be paid on the Scheduled Payment Date which occurs in the year of commencement of the relevant Season;

"Secured Creditors" means the Trustee (for itself and on behalf of the Noteholders), the Noteholders, the Registrar, the Administrator, the Account Bank and any other party agreed by the Issuer and the Trustee to be a Secured Creditor in relation to the Notes;

"Secured Club Obligations" means the obligations of the Club towards the Issuer contained in Clause 2 (*Payment of Secured Club Obligations*) of the Club Debenture;

"Secured Issuer Obligations" means all monies, debts and liabilities which may at any time be or become due, owing or incurred, actually or contingently, by the Issuer to:

- (a) the Trustee, in its capacity as such in relation to the Notes and in respect of any Liabilities incurred by the Trustee in relation thereto;
- (b) the Noteholders in respect of principal, interest or other amounts payable in respect of the Notes; and
- (c) the other Secured Creditors under the Transaction Documents;

"Secured Stadium Obligations" means all monies, debts and liabilities which may at any time be or become due, owing or incurred, actually or contingently, by Stadium to the Issuer under the Stadium Loan Agreement and any other Relevant Document;

"Security" means the security created pursuant to the Issuer Deed of Charge;

"Securities Act" means the United States Securities Act of 1933;

"Security Documents" means:

- (a) the Club Debenture;
- (b) the Stadium Debenture;
- (c) the Share Charge;
- (d) any other document from time to time executed in favour of the Issuer for the purpose of securing all or any of the Obligors' Secured Obligations; and
- (e) any deed of accession entered into in respect of (a) to (d) above;

"Security Interest" means any mortgage, pledge, lien, charge, security assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security (including, for the avoidance of doubt, a floating charge) or any other type of preferential arrangement having a similar effect;

"Service and Agency Agreement" means the service and agency agreement dated on or about the date hereof between Stadium, the Club and the Trustee;

"Services" has the meaning given to it in Clause 1.2 of the Administration Agreement;

"Settlement Date" has the meaning given to it in Condition 1;

"Share Charge" means the share charge to be granted by the Club in favour of the Trustee;

"Specified Office" means, in relation to the Registrar, either the office identified with its name in the Conditions or any other office notified to any relevant parties pursuant to the Registrar and Paying Bank Agreement and, in relation to the Paying Bank, means the office identified with its name in the Conditions or any other office notified to any relevant parties by the Paying Bank from time to time;

"Stadium" means Goodison Park Stadium Limited (registered number 4355318) with registered office at Goodison Park, Goodison Road, Liverpool L4 4EL;

"Stadium Bank Accounts" and **"Stadium Accounts"** means the Collection Account, the Debt Service Account, the Debt Service Reserve Account, the Insurance Proceeds Account, the Multiple Season Account, the Stadium Deposit Account, the Stadium Operating Account and the VAT Account and **"Stadium Bank Account"** and **"Stadium Account"** means any of them;

"Stadium Charged Property" means all the assets of the Stadium from time to time charged in favour of, or assigned (whether at law or in equity) to, the Issuer by or pursuant to the Stadium Debenture;

"Stadium Debenture" means the debenture to be granted by Stadium in favour of the Issuer;

"Stadium Deposit Account" means the account of Stadium to be known as the **"Stadium Deposit Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Stadium Events" means any football matches, other sporting fixtures, concerts or other events open for attendance by the general public upon the purchase of a ticket which are staged from time to time at the Ground;

"Stadium Loan" means the principal amount outstanding under the Stadium Loan Agreement;

"Stadium Loan Agreement" means the loan agreement dated on or about the date hereof made between the Club, Stadium, the Trustee and the Issuer;

"Stadium Monetary Claims" means any book and other debts and monetary claims owing to Stadium and any proceeds thereof (including any claims or sums of money deriving from or in relation to the Stadium Revenue, the proceeds of any Insurance Policy, any court order or judgement, any contract or agreement to which Stadium is a party and any other assets, property, rights or undertaking of Stadium);

"Stadium Name" means the name to be designated to the Existing Stadium or the New Stadium, as the case may be, by a sponsor pursuant to a Naming Rights Agreement;

"Stadium Operating Account" means the account of Stadium to be known as the **"Stadium Operating Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"Stadium Revenue" means Existing Stadium Revenue or New Stadium Revenue, as the case may be;

"Stadium Shares" means all of the shares in the capital of Stadium held by, to the order or on behalf of Club at any time;

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc.;

"Subordinated Secured Creditor" means any Secured Creditor other than a Noteholder;

"Subsidiary" means, in respect of any person (the **"first person"**) at any particular time, any other person (the **"second person"**):

- (a) who is a subsidiary of the first person within the meaning of section 736 of the Companies Act 1985; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person;

"Successor" means, in relation to any Registrar, such other or further person as may from time to time be appointed pursuant to the Registrar and Paying Bank Agreement as a Registrar;

"successor account bank" has the meaning given to it in Clause 20.1 of the Cash Management Agreement;

"Successor Cash Manager" has the meaning given to it in Clause 18.3 of the Cash Management Agreement;

"Tax Deed of Covenant" means the deed of that name dated on or about the date hereof made between the Obligors, the Issuer and the Trustee;

"Tax Event" any change in, or amendment to, the laws or regulations of the United Kingdom or any political sub-division or any authority hereof or therein having power to tax, or any change in the application or official interpretation of such laws and regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Closing Date;

"Taxes" means all present and future income and other taxes, levies, assessments, imposts and duties imposed by any jurisdiction (which expression shall include any supra-national federation or other similar organisation) and any withholdings in the nature of such taxes, levies, assessments, imposts and duties together with interest imposed thereon and penalties and fines in respect thereto, if any, and any payments made on or in respect thereof, assessed or levied by or on behalf of such jurisdiction or any political subdivision of it or by any authority of it having power to tax, and shall include any interest or penalties which may attach as a consequence of failure to pay on the due date and/or non-payment, and **"Tax"**, **"Taxation"** and similar words shall be construed accordingly;

"Taxes Act" means the Income and Corporation Taxes Act 1988;

"Tax Indemnity Amount" has the meaning given to it in Condition 10(a);

"Tax Event Redemption Notice" has the meaning given to it in Condition 7(d);

"Tax Refund" has the meaning given to it in Condition 10(e)

"Term" means the period commencing on the Closing Date and expiring on the Finance Liabilities Discharge Date;

"Termination Event" means the occurrence of any event set out in Clause 14 of the Service and Agency Agreement;

"Termination Notice" shall have the meaning specified in Clause 18.1 of the Cash Management Agreement;

"Testimonial Match" means a Match staged at the Ground which is not a Match played in a competition organised by a Football Authority but is played for the purposes of benefiting a certain individual or individuals associated with the Club the proceeds of which are not retained by the Club;

"these presents" means the Trust Deed (including the schedules thereto) and the Issuer Deed of Charge and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions thereof and expressed to be supplemental thereto;

"Third Party" means any person who is not a party to any of the Transaction Documents;

"Third Party Expenses" means any amounts which are (a) attributable to arms length market costs of carparking, advertising and catering in connection with the provision of Executive Box Packages and Corporate Hospitality Packages, or (b) liable to be paid out of Stadium Revenue generated from a Match to the Visiting Club or to any Football Authority or by way of expenses incurred as authorised by any Football Authority;

"Ticket Income" means, in a Collection Period, all Stadium Revenue which is collected during the period from (and including) the Collection Commencement Date for such Collection Period to (and including) the last day of such Collection Period excluding VAT payable thereon and any Third Party Expenses in respect thereof as determined in accordance with Clause 8.5(b) of the Cash Management Agreement;

"Ticketing Budget" means, at any time, the ticketing budget for the then current Financial Year in relation to the Ground showing a break down of the anticipated Ticket Income in respect of Relevant Sales for that year as produced by the Manager under Clause 8 of the Service and Agency Agreement;

"Total Gross Revenue" has the meaning given to such term in Clause 17.1 of the Cash Management Agreement;

"Transaction Documents" means the Administration Agreement, the Cash Management Agreement, the Conditions, the Deed of Subordination, the Inter-Creditor Deed, the Issuer Deed of Charge, the Mandates, the Notes, the Note Purchase Agreement, the Registrar and Paying Bank Agreement, the Service and Agency Agreement, the Security Documents, the Stadium Loan Agreement, the Tax Deed of Covenant, the Trust Deed and the Trustee Fee Letter, and **"Transaction Document"** means any one of them;

"Transfer Event" means the transactions contemplated by Clause 19 of the Stadium Loan Agreement have occurred with the consent of the Trustee;

"Treaty" means the Treaty establishing the European Economic Community being the Treaty of Rome of 25 March 1957 as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed on 7 February 1992 and came into force on 3 November 1993) as amended, varied or supplemented from time to time;

"Trust Corporation" means a corporation entitled by rules made under the Public Trustee Act 1906 to act as a custodian trustee or entitled pursuant to any other legislation applicable to a trustee in any jurisdiction other than England to act as trustee and carry on trust business under the laws of the country of its incorporation;

"Trust Deed" means the trust deed to be entered into between the Issuer and the Trustee constituting the Notes;

"Trustee" means Prudential Trustee Company Limited in its capacity as trustee under the Trust Deed and includes any successor trustee appointed in accordance with the Trust Deed;

"Trustee Fee Letter" means the fee letter dated on or about the date hereof from the Issuer to the Trustee;

"Unpaid Sum" means, in the case of the Stadium Loan Agreement, the unpaid balance of any of the sums referred to in Clause 23.1 (*Default Interest Periods*) of the Stadium Loan Agreement;

"Unrestricted Subsidiary" means any Subsidiary of the Club or any Restricted Subsidiary that has been designated as an Unrestricted Subsidiary in accordance with Clause 20 of the Stadium Loan Agreement and any Subsidiary of an Unrestricted Subsidiary;

"VAT Account" means the account of Stadium to be known as the **"VAT Account"** to be established with the Account Bank in accordance with Clause 5 of the Cash Management Agreement;

"VAT Accounting Date" means each of the dates upon which Stadium is required to account to HM Customs and Excise for VAT;

"VAT Reserve Amount" has the meaning given to it in Clause 8.5(a) of the Cash Management Agreement;

"Value Added Tax" and **"VAT"** shall be construed as a reference to value added tax as that term is used in the Value Added Tax Act 1994 and all subsequent amendments thereto, and shall include any similar tax which may be imposed in addition thereto or in place thereof from time to time;

"Visiting Club" means the professional football club opposing the Club in a Home Match, a Cup Match or a Friendly Match;

"Voluntary Prepayment Notice" means the notice given by Stadium to the Issuer pursuant to Clause 7.1 of the Stadium Loan Agreement; and

"Youth Fixture" means a fixture to be played at the Ground involving one of the Club's youth teams.

2. PRINCIPLES OF INTERPRETATION

- 2.1 In this Master Definitions and Interpretation Schedule and in all Transaction Documents (unless otherwise specified therein) references to:
- (a) any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment and any reference, express or implied, to statutes or enactments generally includes subordinate legislation and any legislation of the European Union that is directly applicable to the United Kingdom and includes existing statutes and (without retrospective effect) those that come into effect after the date hereof;
 - (b) an action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdictions as shall most nearly approximate thereto;
 - (c) remuneration or costs or charges or expenses shall include any VAT or similar tax charged or chargeable in respect thereof (such VAT or similar tax to be payable on a full unqualified indemnity basis);
- 2.2 "sterling" or the sign "£" shall be construed as references to the lawful currency for the time being of the United Kingdom and references to "Euro" or the sign shall be construed as reference to the single currency of Participating Member States of the European Union;
- 2.3 any reference in a Transaction Document to a Schedule, Appendix or Exhibit or a clause, sub-clause, paragraph or sub-paragraph is, unless otherwise stated, to a schedule, appendix or exhibit to such document or clause, sub-clause, paragraph or sub-paragraph thereof respectively;
- 2.4 the provisions contained in any schedule to a Transaction Document shall have effect as if they had been incorporated in such Transaction Document;
- 2.5 words denoting the masculine gender shall include the feminine gender also words denoting persons only shall include companies, corporations and partnerships and in each case vice versa;
- 2.6 save where the contrary is indicated, any reference in any Transaction Document to a time of day (including opening and closing of business hours) shall be construed as a reference to London time;
- 2.7 references to "including" shall be construed as meaning "including without limitation"; and
- 2.8 references to "repay" shall include "redeem" and vice versa and "repaid", "repayable", "repayment", "redeemed", "redeemable" and "redemption" shall be construed accordingly.

3. AMENDMENTS

References in any Transaction Document to that or any other Transaction Document, other agreement, deed or document (including, for the avoidance of doubt, this Master Definitions and Interpretation Schedule) shall be deemed also to refer to such Transaction Document, agreement, deed or document as amended, supplemented, varied, replaced or novated (in

whole or in part) from time to time and to the agreements, deeds and documents executed pursuant thereto.

4. HEADINGS

Headings and sub-headings in any Transaction Document are for ease of reference only and shall not affect the construction of such document.

5. NUMBER

In any Transaction Document, save where the context otherwise requires, words importing the singular number include the plural and vice versa.

6. SUCCESSORS

Save where the context otherwise requires, references in any Transaction Document to any party to the Transaction Documents shall include references to its successors and permitted assigns or transferees, whether in security or otherwise, whomsoever.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00036624

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SHARE CHARGE DATED THE 18th MARCH 2002 AND CREATED BY EVERTON FOOTBALL CLUB COMPANY, LIMITED (THE) FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE TRUSTEE, THE NOTEHOLDERS AND THE OTHER SECURED CREDITORS UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 5th APRIL 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th APRIL 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House
— for the record —

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