



Registration of a Charge

Company Name: **WATFORD ASSOCIATION FOOTBALL CLUB LIMITED(THE)**

Company Number: **00104194**



Received for filing in Electronic Format on the: **03/10/2022**

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Details of Charge

Date of creation: **29/09/2022**

Charge code: **0010 4194 0050**

Persons entitled: **MACQUARIE BANK LIMITED, LONDON BRANCH**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **BIRD & BIRD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 104194

Charge code: 0010 4194 0050

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th September 2022 and created by WATFORD ASSOCIATION FOOTBALL CLUB LIMITED(THE) was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd October 2022 .

Given at Companies House, Cardiff on 6th October 2022

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**

PRIVILEGED AND CONFIDENTIAL

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of September ²⁹____, 2022 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), is made by and among **Watford Association Football Club Limited (The)**, a limited company organized under the laws of England & Wales whose address is Vicarage Road Stadium, Vicarage Road, Watford, Hertfordshire WD18 0ER, United Kingdom, Company Number: 00104194 (the “**Grantor**”), in favor of **Macquarie Bank Limited** a limited liability company, organised and existing under the laws of the state of New South Wales, Australia acting by its London Branch, registered in England and Wales with Branch Number BR002678 and Company Number FC018220 whose address is Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD, United Kingdom (the “**Secured Party**”).

WHEREAS, prior to the date hereof, the Grantor has entered into various financings with the Secured Party pursuant to which the Secured Party has provided the Grantor with various loans, other arrangements primarily for the purpose of raising financing indebtedness and extensions of credit (as amended, supplemented or otherwise modified from time to time, and inclusive of any promissory note or similar evidence of indebtedness thereunder, the “**Existing Loan Agreements**”), with the Secured Party, pursuant to which the Secured Party, subject to the terms and conditions contained therein, continues to make loans and extend credit to the Grantor;

WHEREAS, on the date hereof, the Grantor has entered into a letter agreement captioned “Term Loan Facility” pursuant to which the Secured Party, as lender, is providing Grantor, as borrower, with a secured term loan facility of up to \$4,655,508 (as amended, supplemented or otherwise modified from time to time, and inclusive of any promissory note or similar evidence of indebtedness thereunder, the “**New Loan Agreement**”), with the Secured Party, pursuant to which the Secured Party, subject to the terms and conditions contained therein, is to make loans and extend credit to the Grantor;

WHEREAS, the New Loan Agreement requires, as a condition of the Secured Party’s willingness to extend credit thereunder while continuing to extend credit pursuant to the Existing Loan Agreements, that the Grantor grant to the Secured Party a security interest in the Collateral, as defined herein, to secure any and all Secured Obligations, as defined herein;

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** All capitalized terms used herein without definitions shall, unless otherwise defined herein, have the respective meanings set forth in the New Loan Agreement. Unless otherwise defined herein, terms used herein, whether or not capitalized, that are defined in the Uniform Commercial Code as in effect from time to time in the State of New York (the “**UCC**”) shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9. In addition:

"Event of Default" has the meaning given to it in the New Loan Agreement together with any event or circumstance which constitutes an event of default (howsoever described) under any other Secured Party Document; and

"Secured Party Documents" means the Existing Loan Agreements, the New Loan Agreement, this Agreement, any other "Finance Document" as defined in the New Loan Agreement, any other facility agreement entered into between the Secured Party and the Grantor from time to time and any "Finance Document" as defined in any such other facility agreement.

2. **Grant of Security Interest.** For value received, the Grantor hereby grants to the Secured Party, to secure the payment and performance in full of all of the Secured Obligations (as defined in Section 3 of this Agreement), a security interest in, and pledges and assigns to the Secured Party the following properties, assets, and rights of the Grantor, wherever located, whether the Grantor now has or hereafter acquires an ownership or other interest or power to transfer, and all products and proceeds thereof, and all books and records relating thereto (all of the same being hereinafter called the **"Collateral"**): **all of the Grantor's rights in and to the Receivables, in each case in any form whether now owned or hereafter acquired or arising.**

3. **Secured Obligations.** This Agreement secures the prompt and full performance and payment of all of the indebtedness, obligations, liabilities, and undertakings of the Grantor to the Secured Party, of any kind or description, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, voluntary or involuntary, now existing or hereafter arising (including, all interest, fees (including attorneys' fees), costs, and expenses that the Grantor is hereby or otherwise required to pay and perform pursuant to the Secured Party Documents, by law or otherwise accruing before and after the filing of any petition in bankruptcy or the commencement of any insolvency, reorganization or like proceeding relating to the Grantor, whether or not a claim for post-petition interest, fees or expenses is allowed in such proceeding), irrespective of whether for the payment of money, under or in respect of the Secured Party Documents, including instruments or agreements executed and delivered pursuant thereto or in connection therewith (the **"Secured Obligations"**).

4. **Changes In Location Of Collateral.** The office where the Grantor keeps its records concerning the Collateral is that appearing at the beginning of this Agreement. The Grantor hereby agrees to notify the Secured Party, in writing or via electronic communication, within ten (10) days upon any change in the location of its place of business where the records concerning the Collateral are kept.

5. **Changes In Grantor.** The Grantor hereby agrees to notify the Secured Party, in writing or via electronic communication, at least ten (10) days before any of the following actions: (a) change in the location of the Grantor's place of business; (b) change in the Grantor's name; (c) change in the Grantor's type of organization; (d) change in the Grantor's jurisdiction of organization; and (e) change in the Grantor's corporate structure.

6. **Transfer of Collateral.** The Grantor shall not sell, offer to sell, assign, lease, license, or otherwise transfer, or grant, create, permit, or suffer to exist any option, security interest, lien, or other encumbrance in, any part of the Collateral, without the prior written consent of the Secured Party.

7. **Notice of Security Interest In Accounts Receivable.** The Secured Party may, or at the request and option of the Secured Party the Grantor shall, notify account debtors and other persons obligated on any of the Collateral of the security interest of the Secured Party therein and that payment thereof is to be made directly to the Secured Party. The Grantor shall deliver to the Secured Party, on receipt and in the form received, all proceeds that may be collected by the Grantor from the Collateral, as and when due to the Secured Party pursuant to the Secured Party Documents.

8. **Collection of Amounts Due Under Accounts Receivable.** The Grantor irrevocably appoints the Secured Party its attorney in fact to receive, receipt and sue for, in the name of the Grantor or otherwise, all moneys or other proceeds due under any Collateral, to endorse the name of the Grantor on all commercial paper given in payment or in part payment of any obligation of the Grantor under this Agreement, and to settle, adjust or compromise any claims or disputes as to any Collateral as fully as the Grantor could itself do.

9. **Grantor Representations And Warranties.** The Grantor hereby represents, warrants, and covenants that: (a) the Receivables included in the Collateral are valid and enforceable obligations, legally incurred by the account debtors named in them, and are now owing to the Grantor in the full amount for services actually rendered under a valid contract between the Grantor and account debtors; (b) the sale of rights which created the Receivables were at the time of the sale owned by the Grantor in the Grantor's own right, free from any lien or security interest (excepting only security interests in favor of the Secured Party); (c) there are and will be no setoffs or counterclaims of any nature against the Receivables; (d) the Grantor owns or has good and marketable title to the Collateral and no other person or organization can make any claim of ownership of any kind on the Collateral; (e) the Grantor has the full power, authority and legal right to grant the security interest in the Collateral; (f) the Collateral is free from any and all claims, encumbrances, rights of setoff or any other security interest or lien of any kind except for the security interest in favor of the Secured Party created by this Agreement and (g) to the knowledge of the Grantor upon reasonably inquiry, this Agreement creates in favor of the Secured Party a valid security interest in the Collateral, securing payment of the Secured Obligations, and such security interest is first priority. The Grantor will defend the Collateral against all claims and demands made by all persons claiming either the Collateral or any interest in it.

10. **Grantor Covenants.** The Grantor hereby grants to the Secured Party the right to enter the Grantor's property to inspect the books, records, journals, orders, receipts, correspondence, and other data relating to the Collateral or to any other transactions between the parties at any reasonable time, provided that the Secured Party gives the Grantor notice at least five (5) days prior notice in advance of any inspection, however in no case shall notice be required if the Secured Party enters the

Grantor's property for the purposes of remedying a breach of this Agreement as provided in Section 12 of this Agreement. The Grantor agrees to: (a) maintain accurate and complete records of all Collateral; and (b) timely pay all taxes, judgments, levies, fees, or charges of any kind levied or assessed on the Collateral. If any of the Collateral is or should become evidenced by chattel paper, promissory notes, trade acceptances or other instruments or writings for the payment of money, the Grantor shall immediately endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. The Grantor hereby waives presentment, demand, notice of dishonor, protest and notice of protest, and all other related notices.

11. **Perfection of Security Interest.** The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral. The Grantor hereby authorizes the Secured Party to file or record any document necessary to perfect, continue, amend, or terminate its security interest in the Collateral, including, but not limited to, any financing statements, including amendments, authorized to be filed under the UCC, without signature of the Grantor where permitted by law. The Grantor also hereby ratifies any previously filed documents or recordings regarding the Collateral, including but not limited to, any and all previously filed financing statements.

12. **Remedies.** If an Event of Default shall have occurred and be continuing, the Secured Party may do any or all of the following: (a) declare all Secured Obligations immediately due and payable; (b) enter the Grantor's property where the records of the Collateral are located and take possession of such records of the Collateral (to the extent that it exists in or is evidenced by documentation) without demand or legal process; (c) require the Grantor to assemble and make available the records of the Collateral at a specific time and place designated by the Secured Party; (d) sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with the law; and (e) enforce payment of the Secured Obligations and exercise any rights and remedies available to the Secured Party under law, including, but not limited to, those rights and remedies available to the Secured Party under Article 9 of the UCC.

13. **Secured Party Rights.** Any and all rights of the Secured Party provided by this Agreement are in addition to any and all rights available to the Secured Party by law, and shall be cumulative and may be exercised simultaneously. No delay, omission, or failure on the part of the Secured Party to exercise or enforce any of its rights or remedies, either granted under this Agreement or by law, shall constitute an estoppel or waiver of such right or remedy or any other right or remedy. Any and all rights of the Secured Party provided by this Agreement shall inure to the benefit of its successors and assigns.

14. **Severability and Modification.** If any of the provisions in this Agreement is determined to be invalid, illegal, or unenforceable, such determination shall not affect the validity, legality, or enforceability of the other provisions in this Agreement. No waiver, modification or amendment of, or any other change to, this Agreement will be effective unless done so in a separate writing signed by the Secured Party.

15. **Notices.** Any notice or other communication required or permitted to be given under this Agreement, including, without limitation, notices under Section 4 and Section 5 of this Agreement, shall be given and shall become effective in accordance with Section 17 of the New Loan Agreement.

16. **Entire Agreement.** This Agreement (including all documents referred to herein and in the Secured Party Documents) represents the entire agreement between the Grantor and the Secured Party, and supersedes all previous understandings and agreements between the Grantor and the Secured Party, whether oral or written, regarding the subject matter hereof.

17. **Assignment.**

(a) The Secured Party shall not assign its rights or transfer its rights and obligations under this Agreement unless it has first obtained the prior written consent of the Football League or, if applicable, the Premier League, where it is required to do so under the Football League Rules or the Premier League Rules, as relevant, and provided always that the Secured Party has first given written notice to the Grantor of any such assignment or transfer prior to the same taking effect, such notice to include details of the party to whom the assignment or transfer is made.

(b) If any assignment of the Secured Party's rights or transfer of the Secured Party's rights or obligations under this Agreement would increase the liability of Grantor under this Agreement, Grantor's liability will be no more than Grantor's liability would have been if such assignment or transfer had not taken place.

(c) Grantor may not assign any of its rights or obligations under this Agreement.

18. **Governing Law; Jurisdiction; Disputes.** This Agreement will be interpreted and construed according to the laws of the State of New York, including, but not limited to, the UCC, without regard to choice-of-law rules in any jurisdiction. Secured Party may recover its costs of enforcing this Agreement from Grantor pursuant to Section 6.1 of the New Loan Agreement and any corresponding provisions of the Secured Party Documents. The state and federal courts located in New York, New York shall have exclusive jurisdiction to settle any dispute related to arising out of or in connection with this Security Agreement or its interpretation or enforcement. The parties agree to the personal jurisdiction of such courts and waive any claim of inconvenient forum. THE PARTIES HEREBY WAIVE THE RIGHT TO TRIAL BY JURY.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned Grantor and Secured Party have executed this Security Agreement as of the date first above written.

SECURED PARTY

for and on behalf of)
MACQUARIE BANK)
LIMITED, LONDON BRANCH)
acting by its authorised)
signatories:)

DocuSigned by:
[Redacted]
D7E723AA16984FF

Authorised Signatory

Print Name: Henry J Korczak

Title: Executive Director

Executed under Power of Attorney dated 16 March 2021

DocuSigned by:
[Redacted]
FB6FA1E770F94AF

Authorised Signatory

Print Name: Robert Howarth

Title: Associate Director

Secured Party notice details: Attention: Jerry Korczak

Email address: [Redacted] and [Redacted]

GRANTOR:

Signed by Scott Duxbury for and on
behalf of **WATFORD ASSOCIATION**
FOOTBALL CLUB LIMITED (THE)

DocuSigned by:
[Redacted]
356E90E4158B4F0...
Director
29 September 2022
Date:

Borrower notice details:

Attention: Emiliano Russo and Scott Duxbury

Email address: [Redacted], [Redacted] and
[Redacted]