

MR01  
Particulars of a charge



Companies House



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A fee is payable with this form  
Please see 'How to pay' on the last page.

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument.

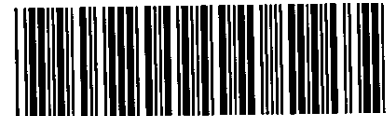
☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08

For further information, please  
refer to our guidance at:  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

This form **must be delivered to the Registrar for registration**  
**21 days** beginning with the day after the date of creation of the charge.  
If delivered outside of the 21 days it will be rejected unless it is accompanied by a  
court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form  
scanned and placed on the public record. **Do not send the original**



\*L75Y530R\*

LD3

14/05/2018

#26

COMPANIES HOUSE

MONDAY

**1 Company details**

Company number 0 0 6 3 8 8 9 1

Company name in full Saga Group Limited

25 For official use

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date d 3 d 0 m 0 m 4 y 2 y 0 y 1 y 8

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge.

Name Saga Pensions Trustees Limited (registered no. 07728095) as  
trustee of the Saga Pension Scheme

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below.

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge.

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Particulars of a charge

4	<b>Brief description</b>
Brief description	<p>Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.</p> <p>Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".</p> <p>Please limit the description to the available space.</p>
5	<b>Other charge or fixed security</b>
	<p>Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> <b>No</b></p>
6	<b>Floating charge</b>
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box.</p> <p><input checked="" type="checkbox"/> <b>Yes</b> Continue</p> <p><input type="checkbox"/> <b>No</b> Go to <b>Section 7</b></p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p>
7	<b>Negative Pledge</b>
	<p>Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> <b>No</b></p>
8	<b>Trustee statement <sup>①</sup></b>
	<p>You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.</p> <p><input type="checkbox"/></p> <p><sup>①</sup> This statement may be filed after the registration of the charge (use form MR06).</p>
9	<b>Signature</b>
Signature	<p>Please sign the form here.</p> <p>Signature</p> <p>X <i>Sacher + Partners LLP</i> X</p> <p>This form must be signed by a person with an interest in the charge.</p>

MR01

Particulars of a charge



**Presenter information**

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Paige Willis
Company name	Sacker & Partners LLP
Address	20 Gresham Street
Post town	London
County/Region	
Postcode	E C 2 V 7 J E
Country	
DX	
Telephone	020 7329 6699



**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



**Important information**

**Please note that all information on this form will appear on the public record.**



**How to pay**

**A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House.'



**Where to send**

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:**

**For companies registered in England and Wales:**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**For companies registered in Scotland:**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post).

**For companies registered in Northern Ireland:**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG.  
DX 481 N.R. Belfast 1.



**Further information**

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 638891

Charge code: 0063 8891 0025

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th April 2018 and created by SAGA GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th May 2018.

Given at Companies House, Cardiff on 18th May 2018



**Companies House**



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

1 2

We certify that, save for the material  
redacted pursuant to s. 859G of the  
Companies Act 2006, this is a true copy  
of the original

EXECUTION VERSION

Sachdev & Partners LLP (PwC) DATED 30 April 2018  
Sachdev & Partners LLP  
14 May 2018

**CERTAIN COMPANIES**  
as Chargors

**SAGA PENSIONS TRUSTEES LIMITED**  
as the Trustee

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**SECURITY AGREEMENT**

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**Freshfields Bruckhaus Deringer**

Freshfields Bruckhaus Deringer LLP  
65 Fleet Street  
London EC4Y 1HS

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**THIS DEED** is made on <sup>30</sup> April 2018

**BETWEEN:**

- (1) **EACH COMPANY** listed in Schedule 1 as a Chargor (each a **Chargor**); and
- (2) **SAGA PENSIONS TRUSTEE LIMITED** (registered in England and Wales with company number 07728095) whose registered office is at Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE as trustee of the Saga Pension Scheme and any other person or persons who is or are for the time being a trustee of the Saga Pension Scheme (the **Trustee**).

**WHEREAS:**

- (A) On or about the date of this Deed, Saga Mid Co Limited (**Mid Co**) and the Trustee will enter into a pensions agreement in relation to the Saga Pensions Scheme (the **Pensions Agreement**).
- (B) Each Chargor is required to enter into this Deed as a condition of the Pensions Agreement.
- (C) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed, unless the context otherwise requires or a contrary indication appears:

- (a) terms defined in the Pensions Agreement have the same meanings when used in this Deed;
- (b) in addition:

**Account** means, in relation to each Chargor:

- (i) any of its accounts specified in Part C of Schedule 2 (**Security Assets**) (if any) and all Related Rights; and
- (ii) any other account opened or maintained by it (and including any replacement account or subaccount of such account) and all Related Rights.

**Account Bank** means any bank, building society, financial institution or other person with whom an Account is maintained by any Chargor.

**Affiliate** means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

**Authorisation** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

**Business Day** means a day (other than a Saturday or a Sunday) on which banks are open for general business in London.

**CA 2006** means the Companies Act 2006.

**Costs and Expenses** means any fees, costs, charges, losses, liabilities, expenses and other amounts (including legal, accountants' and other professional fees) and any Taxes thereon.

**Customer Database** means the central marketing database compiled by or on behalf of the Group recording details of customers and potential customers of the Group and all modifications, amendments and additions thereto made by the Group including all copies of the database in whatever form they appear, which excludes for the avoidance of doubt, all Software.

**Database Rights** means all present and future copyrights and database rights conferred now or at any time in the future under the laws of the United Kingdom (and all other countries of the world) whensoever and howsoever arising in the Customer Database for the remainder of the term during which the said rights and any renewals or extensions thereof shall subsist.

**Dissolution Event** means, in relation to a Chargor:

- (i) any procedure or step being taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors;
- (ii) a meeting of its shareholders, directors or other officers being convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), or any such resolution is passed;
- (iii) any person presenting a petition, or filing documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), except where such petition is frivolous or vexatious and is discharged, stayed or dismissed within fourteen days of commencement;
- (iv) any security interest being enforced by any person over that Chargor's assets having an aggregate value of £20,000,000 (or its equivalent);
- (v) an order for its winding-up, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) being made;
- (vi) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer being appointed in respect of it or a material part of its assets;
- (vii) its shareholders, directors or other officers or that Chargor itself requesting or applying to court for the appointment of, or giving notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer; or
- (viii) any other analogous step or procedure being taken in any jurisdiction.



***Final Discharge Date*** means the earlier of:

- (i) the date on which the Trustee's rights under this Deed terminate pursuant to clause 5 (*Termination*) of the Pensions Agreement;
- (ii) the date on which all Secured Obligations which may be or become due have been unconditionally and irrevocably paid and discharged in full; or
- (iii) the date on which the Trustee has received Net Enforcement Proceeds in an amount equal to £32,500,000.

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

- (i) moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit or bill discounting facility or dematerialised equivalent;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument (but excluding performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of trading of that member of the Group)
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with IFRS in force as at 9 May 2017, have been treated as an operating lease);
- (v) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) required to be accounted for as a borrowing in accordance with IFRS; and
- (vii) (without double counting) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (i) to (vi) above.

***Floating Charge Asset*** means an asset charged under Clause 3.1 (*Floating Charge*).

***Group*** means Saga plc and its Subsidiaries for the time being.

***Holding Company*** means, in relation to a person, any other person in respect of which it is a Subsidiary.

***IA 1986*** means the Insolvency Act 1986.

***IA 2000*** means the Insolvency Act 2000.

***IFRS*** means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

***Insolvency Event*** means in respect of any Chargor:

- (i) an 'insolvency event' as defined in Section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (ii) the receipt by the Pension Protection Fund of an application or notification from the Trustees or the Pensions Regulator that such Chargor is unlikely to continue as a going concern, which is purported to be made in accordance with Section 129 of the Pensions Act 2004 or regulations made from time to time thereunder.

**Insurance Policy** means, in relation to each Chargor, any contract or policy of insurance of any kind (other than in relation to third party liabilities or similar claims) in which that Chargor has an interest (including any identified in respect of that Chargor in Part D (*Insurance Policies*) of Schedule 2 (*Security Assets*) (if any)) and all Related Rights.

**Intellectual Property** means, in relation to each Chargor, the following intellectual property rights in the United Kingdom:

- (i) any patents, trade-marks, service marks, designs, logos, trade names, domain names, copyrights (including rights in computer software), database rights, semi-conductor topography rights, utility models, rights in designs, rights in get up, rights in inventions, rights in know-how, moral rights and other intellectual property rights and interests (which may now or in the future subsist), in each case whether registered or unregistered; and
- (ii) the benefit of all applications and all rights to use the assets referred to in paragraph (i) above (which may now or in the future subsist),

in which that Chargor legally or beneficially has an interest (including those identified in respect of each Chargor in Part F (*Intellectual Property*) of Schedule 2 (*Security Assets*) and all Related Rights (and **registered** includes registrations and applications for registration).

**Investments** means, in relation to each Chargor, any stock, Shares, debenture, loan stock, security, bond, warrant, coupon, interest in any investment fund and any other investment (whether or not marketable) whether held directly by or to the order of that Chargor or by any trustee, fiduciary or clearance system on its behalf (including any cash equivalent investments) and all Related Rights in which that Chargor has an interest, in each case, whether or not marketable, and whether held directly by or to the order of that Chargor or by any trustee, nominee, fiduciary or settlement or clearance system on its behalf, together with, in each case, all Related Rights.

**Legal Reservations** means:

- (i) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors; and
- (ii) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and

- (iii) similar principles, rights and defences under the laws of any Relevant Jurisdiction.

**Limitation Acts** means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984.

**LPA 1925** means the Law of Property Act 1925.

**LPMPA 1994** means the Law of Property (Miscellaneous Provisions) Act 1994.

**Material Adverse Effect** means any event or circumstance which (after taking account of all relevant circumstances):

- (a) is materially adverse to:
  - (i) the ability of the Chargors (taken as whole) to meet any of the payment obligations of the Chargors under this Deed; or
  - (ii) the ability of Mid Co to meet any of its payment obligations under the Pensions Agreement; and/or
- (ii) subject to the Legal Reservations and any Perfection Requirement which is not overdue, affects the validity or the enforceability of any of this Deed or the Pensions Agreement in a manner which would be materially adverse to the interests of the Trustee and, if capable of remedy, is not remedied within 20 Business Days of the earlier of (i) Mid Co becoming aware of the issue or (ii) the giving of notice of the issue by the Trustee.

**Material Contract** means any agreement specified as a Material Contract in respect of each Chargor in Part E (*Material Contracts*) of Schedule 2 (*Security Assets*) (if any) or otherwise designated as a Material Contract by the Trustee, to which the relevant Chargor is a party or in which it otherwise has an interest and all Related Rights.

**Material Intellectual Property** means the Intellectual Property (if any) listed in Part F of Schedule 2 (*Security Assets*).

**Material Real Property** means the Real Property (if any) identified in Part A (*Real Property*) of Schedule 2 (*Security Assets*).

**Monetary Claims** means, in relation to each Chargor, any book and other debts and monetary claims of any nature due, owing or payable to that Chargor (other than in respect of any Account) and, in each case, all Related Rights.

**Net Enforcement Proceeds** means, in relation to any Security Asset, any proceeds of sale or enforcement collected or received by the Trustee (or any Receiver) arising from that Security Asset following the enforcement of this Security, less all Costs and Expenses contemplated in paragraph (a) of Clause 18 (*Application of proceeds*).

**Notification Event** has the meaning given to it in the Pensions Agreement.

**Party** means a party to this Deed.

**Pension Protection Fund** means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004.

**Pensions Regulator** means the body of that name and referred to as the “Regulator” in the Pensions Act 2004.

**Perfection Requirement** means the registration of the Security in accordance with Section 859A of the Companies Act 2006.

**Plant and Machinery** means, in relation to each Chargor, any plant and machinery, vehicles, office equipment, computers and other chattels (excluding any forming part of its stock in trade or work in progress) in which that Chargor has an interest and, in each case, all Related Rights.

**Quasi-Security** means a transaction or arrangement to:

- (i) sell, transfer or otherwise dispose of to any person who is not a member of the Group any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Group;
- (ii) sell, transfer or otherwise dispose of any of its receivables to any person who is not a member of the Group on recourse terms;
- (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (iv) enter into any other preferential arrangement having a similar effect,

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

**Real Property** means, in relation to each Chargor:

- (i) any freehold, leasehold, licence or other interest in any immovable property in which that Chargor has an interest (including the property identified in respect of that Chargor in Part A (*Real Property*) of Schedule 2 (*Security Assets*) (if any)) and all Related Rights; and
- (ii) any buildings, trade and other fixtures or fittings forming part of the property referred to in paragraph (i) above and in which that Chargor has an interest and, in each case, all Related Rights.

**Receiver** means:

- (i) a receiver and manager or other receiver appointed under this Deed in respect of any Security Asset and shall, if allowed by law, include an administrative receiver; or
- (ii) any delegate or sub-delegate of any person referred to in paragraph (i) above appointed pursuant to the terms of this Deed.

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

- (i) all rights under any licence, agreement for sale, agreement for lease or other use or any supplemental or collateral agreement in respect of all or any part of that asset;

- (ii) all rights, easements, powers, benefits, claims, contracts, warranties, remedies, covenants for title, security, guarantees or indemnities in respect of, or appurtenant to, all or any part of that asset;
- (iii) all other assets or rights at any time receivable or distributable in respect of, or in exchange or substitution for, that asset;
- (iv) the proceeds of sale of all or any part of that asset;
- (v) any other monies or proceeds paid or payable in respect of all or any part of that asset; and
- (vi) in respect of any contract, agreement or instrument, any interest in that contract, agreement or instrument, whether or not any Chargor is party to that contract, agreement or instrument.

**Relevant Interest** means any “relevant interest” (within the meaning of paragraph 2 of Schedule 1B to the CA 2006) in any Chargor or other member of the Group, and includes any Investments of the Chargor in any other member of the Group.

**Relevant Jurisdiction** means, in relation to each Chargor:

- (i) the laws of England and Wales;
- (ii) any jurisdiction where any asset subject to or intended to be subject to the Security Interests to be created by it is situated;
- (iii) any jurisdiction where it conducts its business; and
- (iv) the jurisdiction whose laws govern the perfection of this Deed.

**Restrictions Notice** has the meaning given to “restrictions notice” in paragraph 1(2) of Schedule 1B to the CA 2006 and for the purposes of paragraph 1 of that Schedule.

**Secured Obligations** means all present and future obligations and liabilities (whether actual or contingent) of the principal employer of the Scheme to make payments to the Scheme in respect of the Priority Pension Liabilities.

**Security** means the Security Interests constituted, created or evidenced by this Deed.

**Security Interest** means any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect.

**Security Assets** means the assets subject to (or expressed to be subject to) the security interests constituted, created or evidenced (or expressed to be constituted, created or evidenced) in favour of the Trustee under this Deed.

**Shares** means, in relation to each Chargor:

- (i) shares in any member of the Group owned legally or beneficially by it or held by any nominee or the Trustee (or the Trustee’s nominee) on behalf of that Chargor (including the shares identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any)); and

- (ii) any other shares forming part of its Investments that are identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any),

and, in each case, all Related Rights.

**Software** means any computer programs used to manipulate, modify, extract, list access and print the Customer Database, any modifications thereto and all manuals and technical specifications relating to such computer program;

**Subsidiary** means a subsidiary within the meaning of section 1159 of the CA 2006.

**TA 2000** means the Trustee Act 2000.

**Tax** includes any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

**Third Parties Act** means the Contracts (Rights of Third Parties) Act 1999.

**Voting Event** means, in relation to a particular Investment of any Chargor, the service of a notice by the Trustee (either specifying that Investment or generally in relation to all or a designated class of Investments) on that Chargor on or following the occurrence of a Notification Event, specifying that control over the voting rights attaching to the Investment or Investments specified in that notice are to pass to the Trustee.

## 1.2 Construction

### (a) In this Deed:

- (i) **assets** includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
- (ii) **authorisation** or **consent** includes any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
- (iii) a **company** includes any company, corporation or other body corporate, wherever and however incorporated or established;
- (iv) this **Deed** or the **Pensions Agreement** or any other agreement, document or instrument, or any rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, is a reference to this Deed or the Pensions Agreement or any other agreement, document or instrument, or rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, in each case, as it may have been varied, amended, supplemented, replaced, extended, restated or novated from time to time and includes a reference to any document which varies, amends, supplements, replaces, extends, restates, novates or is entered into, made or given pursuant to, or in accordance with, any of the terms of this Deed or, as the case may be, the Pensions Agreement or agreement, document or instrument, or the relevant rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system;

- (v) **include** or **including** shall be construed without limitation;
  - (vi) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
  - (vii) **law** includes any present or future common or customary law, principle of equity, and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, by-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (viii) a **nominee** includes any nominee or custodian;
  - (ix) a **person** includes any individual, firm, company, government, state or agency of a state, local or municipal authority, trust, association, joint venture, consortium, partnership or other entity (in each case, whether or not having separate legal personality);
  - (x) **qualified person** means a person who, under the IA 1986, is qualified to act as a receiver of any asset of any company with respect to which he/she is appointed or an administrative receiver of that company;
  - (xi) **rights** includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of every kind, and whether present, future or contingent); and
  - (xii) **security** includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind, in each case, having the effect of securing any obligation of any person (including the deposit of monies or property with a person with the intention of affording that person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any “flawed asset” or “hold back” arrangement), and **security interest** shall be construed accordingly.
- (b) Unless the context otherwise requires or a contrary indication appears:
- (i) a reference in this Deed to any Investment includes:
    - (A) all dividends, interest, coupons and other distributions paid or payable;
    - (B) all stocks, shares, securities, rights, monies, allotments, benefits and other assets accruing or offered at any time by way of redemption,

substitution, conversion, exchange, bonus or preference, under option rights or otherwise; and

- (C) any rights against any settlement or clearance system and any right under any custodian or other agreement),

in each case, in relation to that Investment;

- (ii) a **provision of law** is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
  - (iii) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme (and this paragraph (iii) shall be in addition to, and not affect, the provisions of the Trustee Act 1925 dealing with transfers of assets and liabilities from one trustee to another);
  - (iv) a reference in this Deed to a Security Asset includes:
    - (A) any part of that Security Asset;
    - (B) any proceeds of that Security Asset; and
    - (C) any present and future assets of the same type as that Security Asset;
  - (v) in this Deed a defined term includes its other cognate forms;
  - (vi) in this Deed **clearance system** means a person whose business is, or includes, the provision of clearance services or security accounts or any nominee or depository for that person;
  - (vii) where this Deed refers to any provision of the Pensions Agreement and the Pensions Agreement is amended in a manner that would result in that reference being incorrect, this Deed shall be construed so as to refer to that provision as renumbered in the amended Pensions Agreement.
- (c) The terms of the Pensions Agreement and of any side letters relating to the Pensions Agreement are incorporated in this Deed to the extent required for any contract for the purported disposition of any Security Asset contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
  - (d) The fact that the details of any asset in any Schedule are incorrect or incomplete shall not affect the validity or enforceability of this Deed in respect of any asset of any Chargor.
  - (e) References in this Deed to a **Clause** or **Schedule** are to a clause of, or schedule to, this Deed.
  - (f) Where the terms of this Deed permit a Chargor to exercise a right or remedy under or in respect of any Security Asset which has been assigned to the Trustee under the terms of this Deed, that Chargor does so with the limited authority of the Trustee pursuant to the terms of this Deed and the Parties do not intend such limited authority



to prevent, prejudice or impair any such assignment to the Trustee from satisfying in full all of the conditions set out in section 136 of the LPA 1925. Further, the Parties intend that such assignments are made on terms which satisfy in full all of those conditions.

- (g) If the Trustee considers that an amount paid to it is capable of being avoided or otherwise set aside on the liquidation of the payer or otherwise, then that amount will not be considered to have been irremovably paid for the purposes of this Deed.

### **1.3 Trustee Act 1925 and Trustee Act 2000**

- (a) Section 1 of the TA 2000 shall not apply to any function of the Trustee. Where there are any inconsistencies between the Trustee Act 1925 or the TA 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the TA 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of the TA 2000.
- (b) The Trustee may retain or invest in securities payable to bearer without appointing a person to act as a custodian.
- (c) Sections 22 and 23 of the TA 2000 shall not apply to this Deed.

### **1.4 Third parties**

- (a) Except as otherwise expressly provided in this Deed, the terms of this Deed may be enforced only by a Party and the operation of the Third Parties Act is excluded.
- (b) Notwithstanding any term of this Deed, no consent of a third party is required to rescind, terminate or amend this Deed.

### **1.5 Distinct security and trusts**

- (a) All Security, and any trust created or expressed to be created under this Deed, shall be construed as creating separate and distinct security, or a separate and distinct trust, over each relevant asset within any particular class of assets defined or referred to in this Deed. The failure to create effective security, or an effective trust, whether arising out of any provision of this Deed, any act or omission by any person, the existence of any Restrictions Notice in respect of any Relevant Interest or otherwise, over any one such asset shall not affect the nature or validity of the security, or any trust, imposed on any other such asset, whether within that same class of assets or otherwise.
- (b) The existence of a Restrictions Notice in respect of any Relevant Interest, or the Security or any trust created or expressed to be created under this Deed being or becoming unenforceable or failing to take effect (in each case, temporarily or otherwise) over any asset defined or referred to in this Deed, whether arising out of any provision of this Deed, any act or omission by any person or otherwise, shall not affect the nature or validity of the Security, or any such trust, imposed on any other asset defined or referred to in this Deed, whether within the same class of assets as the Relevant Interest or other relevant asset or otherwise.

## **1.6 Chargor intent**

Without prejudice to the generality of any other provision of this Deed, each Chargor expressly confirms that it intends that this Deed and the Security shall extend from time to time to any (however fundamental) variation extension or addition of or to the Pensions Agreement.

## **1.7 Implied covenants for title**

The obligations of each Chargor under this Deed are in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the LPMPA 1994.

## **1.8 Inconsistency between this Deed and the Pensions Agreement**

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Pensions Agreement, the provision of the Pensions Agreement shall prevail.

## **2. COVENANT TO PAY AND TOTAL NET ENFORCEMENT PROCEEDS**

Each Chargor shall, as primary obligor and not merely as surety, pay or discharge on demand the Secured Obligations following the occurrence of a Notification Event. The total aggregate amount which may be applied against the Secured Obligations by the Trustee from any Net Enforcement Proceeds shall not exceed £32,500,000.

## **3. CREATION OF SECURITY**

### **3.1 Real Property**

- (a) Each Chargor charges by way of a first legal mortgage in favour of the Trustee all its right, title and interest in and to the Real Property in England and Wales vested in it on the date of this Deed.
- (b) To the extent not the subject of a mortgage under paragraph (a) above, each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to its Real Property.

### **3.2 Investments**

Each Chargor charges by way of a first fixed charge in favour of the Trustee all its right, title and interest in and to each of its Investments (other than any Shares held by that Chargor in a Subsidiary that is not incorporated in England and Wales).

### **3.3 Plant and Machinery**

Each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to its Plant and Machinery.

### **3.4 Accounts**

Each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to each of its Accounts and any amount standing to the credit of, and the debt represented by, each such Account.

### 3.5 Monetary Claims

Each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to each of its Monetary Claims.

### 3.6 Insurance Policies

- (a) Each Chargor assigns absolutely to the Trustee, subject to the proviso for reassignment in accordance with Clause 5 (*Release and reassignment*), all its present and future right, title and interest in and to each of its Insurance Policies.
- (b) To the extent not effectively assigned under paragraph (a) above, each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to each of its Insurance Policies.

### 3.7 Material Contracts, Database Rights and other contracts

- (a) Each Chargor assigns absolutely to the Trustee, subject to the proviso for reassignment in accordance with Clause 5 (*Release and reassignment*), all its present and future right, title and interest in and to:
  - (i) each of its Material Contracts; and
  - (ii) to the extent permitted by any applicable laws, the Database Rights.
- (b) To the extent not effectively assigned under paragraph (a) above, each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to each of its Material Contracts and, to the extent permitted by any applicable laws, the Database Rights.

### 3.8 Intellectual Property

Each Chargor charges by way of a first fixed charge in favour of the Trustee all its present and future right, title and interest in and to its Intellectual Property (including the Software).

### 3.9 Miscellaneous

- (a) Each Chargor charges by way of a first fixed charge in favour of the Trustee (to the extent not otherwise assigned, charged or mortgaged under Clauses 3.1 (*Real Property*) to 3.8 (*Intellectual Property*) (inclusive)) all its present and future right, title and interest in and to:
  - (i) any beneficial interest of it in, or claim or entitlement of it to, any assets of any pension fund;
  - (ii) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
  - (iii) its goodwill;
  - (iv) rights in relation to its uncalled capital;
  - (v) any letter of credit issued in its favour; and
  - (vi) any bill of exchange or other negotiable instrument held by it.

- (b) To the extent that a Security Asset is not effectively assigned, charged or mortgaged in favour of the Trustee in accordance with the applicable provisions of Clauses 3.1 (*Real Property*) to 3.8 (*Intellectual Property*) (inclusive), each Chargor shall hold on trust for the benefit of the Trustee all its present and future right, title and interest in and to that Security Asset.
- (c) Notwithstanding any other provision of this Deed, the creation of any mortgage or trust expressed to be created under this Deed over any Relevant Interest that is at the time of that creation subject to any Restrictions Notice shall be conditional on the court making an order under paragraph 8 of Schedule 1B to the CA 2006 by virtue of paragraph 8(3)(b) of that Schedule.

### **3.10 Floating charge**

- (a) Each Chargor charges by way of a first floating charge in favour of the Trustee all its present and future assets, property, business, undertaking and uncalled capital of whatever type and wherever located, in each case, together with all Related Rights.
- (b) The floating charge created by each Chargor pursuant to paragraph (a) above shall be without prejudice to, and shall rank behind, all Security that is a mortgage, an assignment or a fixed charge, but shall rank in priority to any other security interest created by that Chargor after the date of this Deed.
- (c) The floating charge created by each Chargor pursuant to paragraph (a) above is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the IA 1986. Paragraph 14 of Schedule B1 to the IA 1986 shall apply to this Deed.

## **4. CONVERSION OF FLOATING CHARGE**

### **4.1 Automatic conversion**

The floating charge created pursuant to paragraph (a) of Clause 3.10 (*Floating Charge*) shall (in addition to the circumstances in which the same will occur under general law) automatically and immediately be converted into a fixed charge over all of any Chargor’s assets, rights and property not already subject to an effective fixed charge if:

- (a) that Chargor takes any step to create any security in breach of Clause 7.1 (*Restriction on dealings*) over any of the Security Assets subject to that floating charge; or
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress, execution or other legal process against any of the Security Assets subject to that floating charge,

and, in each case, the conversion shall take effect from the instant before the occurrence of that event.

### **4.2 Conversion by notice**

The Trustee may by notice in writing to a Chargor convert the floating charge created by that Chargor pursuant to paragraph (a) of Clause 3.10 (*Floating charge*) with immediate effect into one or more fixed charges over all or any of that Chargor’s assets, rights and property specified in that notice if:

- (a) a Notification Event has occurred;

- (b) the Trustee (acting reasonably) considers any Security Asset subject to that floating charge to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
- (c) the Trustee (acting reasonably) considers that such conversion is desirable in order to protect the value of any Security Asset or the priority of the Security.

#### **4.3 Moratorium – floating charge**

The floating charge created pursuant to paragraph (a) of Clause 3.10 (*Floating charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000.

#### **4.4 Reconversion to floating charge**

Any floating charge which has crystallised under Clause 4.1 (*Automatic conversion*) or Clause 4.2 (*Conversion by notice*) may, by notice in writing given at any time by the Trustee to a Chargor, be reconverted into a floating charge under paragraph (a) of Clause 3.10 (*Floating charge*) in relation to the assets, rights and property specified in that notice. The conversion to a fixed charge and reconversion to a floating charge (or the converse) may occur any number of times.

#### **4.5 No waiver**

The giving by the Trustee of a notice under Clause 4.2 (*Conversion by notice*) in relation to any asset shall not be construed as a waiver or abandonment of the Trustee's rights to serve any notice in respect of any other asset or of any other right of the Trustee under this Deed or the Pensions Agreement.

### **5. RELEASE AND REASSIGNMENT**

Subject to paragraph (d) of Clause 6 (*Provisions relating to Security*) and provided that, at the time of the request, no Notification Event has occurred, promptly after the Final Discharge Date, the Trustee shall, at the request and cost of a Chargor:

- (a) release and reassign to that Chargor its rights, title and interest in and to the Security Assets; and
- (b) execute such notices and directions to any persons as that Chargor may reasonably require in order to give effect to that release and reassignment,

in each case, without recourse to or any representation or warranty by any other person.

### **6. PROVISIONS RELATING TO SECURITY**

- (a) All Security:
  - (i) is created in favour of the Trustee;
  - (ii) is created free from any Security Interest (other than any Security);
  - (iii) is created over the present and future assets of each Chargor; and
  - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations and shall, subject to Clause 2 (*Covenant to Pay and*

*Total Net Enforcement Proceeds*), extend to the balance of the Secured Obligations payable in accordance with the Pensions Agreement and shall remain in full force and effect until the Final Discharge Date. No part of the Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

- (b) If any Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a **restricted asset**) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a **Restrictive Contract**) binding on that Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group, any Affiliate of any member of the Group, each a **counterparty**) has not been obtained, then:
  - (i) that Chargor shall notify the Trustee of the same immediately;
  - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;
  - (iii) unless the Trustee otherwise requires, the relevant Chargor shall use best endeavours to obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Trustee; and
  - (iv) on and from the date on which that Chargor obtains the consent of each relevant counterparty, that restricted asset shall become subject to a mortgage, an assignment or a fixed charge in favour of the Trustee under each provision of Clause 3 (*Creation of security*) which applies to the class of asset corresponding to that restricted asset.
- (c) The Security created pursuant to this Deed by each Chargor is made with full title guarantee under the LPMPA 1994.
- (d) If the Trustee reasonably considers, on the basis of independent legal advice, that any payment, security or guarantee provided to it under or in connection with this Deed or the Pensions Agreement is capable of being avoided, reduced or invalidated by virtue of any applicable law, notwithstanding any reassignment or release of any Security Asset, the liability of the Chargors under this Deed and the Security shall continue as if those amounts had not been paid or as if any such security or guarantee had not been provided.
- (e) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed:
  - (i) shall be complied with at all times during the period commencing on the date of this Deed and ending on the Final Discharge Date; and
  - (ii) is given by each Chargor for the benefit of the Trustee.
- (f) Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform, and shall observe and perform, all conditions and obligations assumed by it in relation to any of its Security Assets. The

Trustee is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

- (g) If any Security Asset of any Chargor is held by any person (including any nominee) on behalf of that Chargor, that Chargor shall procure that any such person performs the obligations of that Chargor in respect of that Security Asset under this Deed.

## **7. RESTRICTION ON DEALINGS**

### **7.1 Restriction on dealings**

- (a) Excepted as permitted under paragraph (b) below, no Chargor shall:
  - (i) create, agree to create or permit to subsist any security or Quasi-Security on any of the Security Assets; or
  - (ii) (whether by a single transaction or a number of related or unrelated transactions and whether voluntarily or involuntarily) assign, charge, lease, transfer, lend or otherwise dispose of all or any part of its right, title and interest in and to any Security Asset (other than in respect of the Floating Charge Assets on arm's length terms in the ordinary course of trading) or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so.
- (b) Paragraphs (i) to (ii) above shall not apply where a Chargor is permitted to do so under the Pensions Agreement or with the prior consent of the Trustee.

### **7.2 Moratorium – disposals**

The obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000 shall not, by itself, cause restrictions in this Deed or the Pensions Agreement that would not otherwise apply to be imposed on the disposal of property by any Chargor.

## **8. REPRESENTATIONS AND WARRANTIES**

### **8.1 General representations and warranties**

Each Chargor represents and warrants to the Trustee:

- (a) it is duly incorporated and validly existing under the laws of its jurisdiction of its incorporation;
- (b) it has the power to own its assets and carry on its business substantially as it is now being conducted;
- (c) subject to the Legal Reservations and the Perfection Requirement its obligations under this Deed are valid, legally binding and enforceable obligations;
- (d) the entry into and performance by it of, and the transactions contemplated by, this Deed do not contravene:
  - (i) any law or regulation applicable to it in any material respect;
  - (ii) its constitutional documents in any material respect; or

- (iii) any agreement or instrument binding upon it or any of its Subsidiaries or any of its or their respective assets, breach of which could reasonably be expected to have a Material Adverse Effect.
- (e) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and to carry out the transactions contemplated by this Deed;
- (f) all Authorisations required by it in order:
  - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and
  - (ii) to make this Deed, subject to the Legal Reservations, admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and, subject to the Legal Reservations, are in full force and effect;
- (g) no corporate action has been taken nor have any steps been taken or legal proceedings been started or (to the best of its knowledge and belief) threatened against it in relation to any of the circumstances, procedures, steps or events referred to in the definitions of Dissolution Event or Insolvency Event;
- (h) no event or circumstance is outstanding which constitutes a default or termination event (however described) under any other agreement or instrument which is binding on it or to which its assets are subject which could reasonably be expected to have a Material Adverse Effect;
- (i) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, could reasonably be expected to be adversely determined, and if so determined, could reasonably be expected to have a Material Adverse Effect has or have (to the best of its knowledge and belief) been started or threatened in writing against it;
- (j) its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;
- (k) it is the sole legal and beneficial owner of, and absolutely entitled to, the assets that it purports to mortgage, charge or assign under this Deed (other than, where relevant, in respect of the legal ownership of any of its Investments registered in the name of its nominee or in the name of the Trustee (or the Trustee's nominee) pursuant to this Deed);
- (l) it has not mortgaged, charged or assigned or otherwise encumbered or disposed of any of the assets that it purports to mortgage, charge or assign under this Deed, in each case, other than as expressly permitted under this Deed and the Pensions Agreement;
- (m) the assets that it purports to mortgage, charge or assign under this Deed are free from any security, Quasi-Security or option to purchase or similar right, in each case, other than as expressly permitted under this Deed and the Pensions Agreement;



- (n) the Shares identified in Part B(*Shares*) of Schedule 2 (*Security Assets*) are fully paid and not subject to any option to purchase or similar rights. The constitutional documents of the companies in which such Shares are held do not and could not restrict or inhibit any transfer of those shares on creation or enforcement of the Security, other than to the extent such restrictions or inhibitions are required by applicable law;
- (o) its Security Assets exist and, to the extent that any of its Security Assets is comprised of rights and/or remedies under or in respect of any instrument, document, agreement or arrangement (including any Monetary Claim, Insurance Policy, Account, Material Contract, Database Rights, Software or Intellectual Property), that instrument, document, agreement or arrangement is valid, legally binding and, subject to the Legal Reservations, enforceable in accordance with its terms and no such instrument, document, agreement or arrangement has been terminated, rescinded or revoked (in whole or in part); and
- (p) no instrument, document, agreement or arrangement to which a Chargor is a party contains any prohibition on the creation, perfection or enforcement (or purported creation, perfection or enforcement) of any Security (including any transfer of title in any Security Asset pursuant to any such enforcement) (in respect of any Material Contract, that has not been waived by the other parties to it), and the entry into and performance by any Chargor of its obligations under this Deed do not conflict with any term of any instrument, document, agreement or arrangement to which it is a party.

## **8.2 Times for making representations and warranties**

- (a) The representations and warranties set out in this Deed shall be made by each Chargor on the date of this Deed.
- (b) The representations and warranties in paragraphs (a) to (f) (inclusive), (j), (m), (o) and (p) of Clause 8.1 (*General Representations and Warranties*) shall be repeated on each anniversary of the date of this Deed.

## **9. COVENANTS**

### **9.1 General**

Each Chargor undertakes to the Trustee in the terms of this Clause 9 from the date of this Deed for so long as any Security remains in force.

### **9.2 Compliance with laws**

Each Chargor must comply in all respects with all laws, in each case to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **9.3 Intellectual Property**

Each Chargor shall:

- (a) preserve and maintain the subsistence and validity of its Intellectual Property necessary for its business;

- (b) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property;
- (c) make registrations and pay all registration fees and taxes (other than any registration fees or taxes being contested in good faith) necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the right of any member of the Group to use such property; and
- (e) not discontinue the use of the Intellectual Property,

where failure to do so, in the case of paragraphs (a) and (b) above, or, in the case of paragraphs (d) and (e) above, such use, permission to use, omission or discontinuation, would have or could be reasonably expected to have a Material Adverse Effect.

#### **9.4 Notifications**

Each Chargor shall promptly (in the case of paragraphs (a) and (b)) or immediately (in the case of paragraph (c)) notify the Trustee upon becoming aware:

- (a) of the occurrence of any breach of any of the provisions of this Deed;
- (b) that any representation and warranty made or deemed to be made by a Chargor under this Deed is or proves to have been incorrect or misleading when made; and
- (c) of the occurrence of an Event of Default which is continuing in respect of which notice has been issued by the agent under clause 23.16 (*Acceleration*) of the 2017 Facilities Agreement.

#### **9.5 People with Significant Control regime**

Each Chargor shall:

- (a) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 or Schedule 1B to the Companies Act 2006 from any company incorporated in the United Kingdom whose shares are the subject of the Security; and
- (b) promptly provide the Trustee with a copy of that notice.

#### **9.6 Amendments to constitutional documents**

In respect of any company whose shares are the subject of the Security:

- (a) no Chargor shall agree to amend, vary or supplement such company's constitutional documents in a manner that could reasonably be expected to prejudice the Security; and
- (b) each Chargor shall ensure that such company shall not amend, vary or supplement its constitutional documents in a manner that could reasonably be expected to prejudice the Security.

### 9.7 Title documents

Each Chargor will promptly deposit with the Trustee (or as it shall direct):

- (a) all deeds and documents of title relating to all Material Real Property and if those deeds and documents are with HM Land Registry, will promptly deposit them with the Trustee (or as it shall direct) upon their release;
- (b) all stocks and share certificates and other documents of title relating to the Shares referred to in paragraph (i) of that definition together with stock transfer forms completed in favour of the Trustee (or as the Trustee shall direct), with the exception of the stock and share certificates and other documents of title relating to any such Shares which are not legally owned by the relevant Chargor, which will, along with the corresponding stock transfer forms completed in favour of the Trustee (or as it shall direct), be deposited with the Trustee (or as it shall direct) as soon as reasonably practicable following such Chargor becoming the legal owner of such Shares;
- (c) if requested by the Trustee, copies of all Insurance Policies for the time being charged under this deed; and
- (d) following a Notification Event, all other documents of title, instruction documents or warranty documents relating to the Security Assets which the Trustee from time to time reasonably requires.

### 9.8 Retention of Documents

The Trustee may retain any document delivered to it under Clause 9.7 (*Title Documents*) or otherwise until the Security is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply (or procure compliance) with that notice provided that the Trustee will promptly release any document delivered to it under this Clause 9.8 where such document is required in connection with the disposal of any Security Asset which is permitted under the terms of this Deed.

### 9.9 Licence of Database Rights

- (a) The Trustee hereby grants to each Chargor that assigns the Database Rights (each a **Relevant Chargor**) an exclusive, royalty free, worldwide non-assignable licence to use the Database Rights.
- (b) Each Relevant Chargor may grant any member of the Group a non-exclusive, non-assignable licence to use the Database Rights subject to paragraphs (d) to (e) below.
- (c) Each Relevant Chargor may grant and may authorise any member of the Group to grant, in writing, any third party a non-exclusive, non-assignable licence to use the Database Rights subject to sub Clauses (d) to (e) below (a **Third Party Licence**).
- (d) All licences granted pursuant to this Clause 9.9 may be terminated or suspended by written notice from the Trustee to the Relevant Chargor given after a Notification Event has occurred.
- (e) Each Relevant Chargor acknowledges that, notwithstanding Clause 3.7 (*Material Contracts, Database Rights and other contracts*) or any other provision of this Deed, until the occurrence of a Notification Event it shall remain the data controller (within

the meaning of the Data Protection Act 1998) of any and all personal data comprised in the Customer Database.

## **10. RIGHTS AFTER A NOTIFICATION EVENT**

### **10.1 Investments**

- (a) On and after the occurrence of a Voting Event:
  - (i) the Trustee (or its nominee) may exercise (or refrain from exercising) any voting rights, powers and other rights in respect of any Investments of any Chargor as it sees fit and without any further consent or authority on the part of that Chargor; and
  - (ii) each Chargor irrevocably appoints the Trustee (or the Trustee's nominee) as its proxy to exercise all voting rights, powers and other rights in respect of its Investments with effect from the occurrence of that Voting Event to the extent that those Investments remain registered in that Chargor's name (or that of its nominee).
- (b) On and after the occurrence of a Notification Event:
  - (i) subject to paragraph (a) above, each Chargor shall comply with or procure the compliance with any directions of the Trustee (or the Trustee's nominee) in respect of any of such Chargor's Investments; and
  - (ii) each Chargor shall hold all dividends and other income and distributions paid or payable in respect of its Investments on trust for the Trustee, pending payment to the Trustee for application in accordance with Clause 18 (*Application of Proceeds*), and each Chargor waives its rights to any such amounts.

### **10.2 Accounts**

On and after the occurrence of a Notification Event:

- (a) any permission to use amounts withdrawn from any Account (whether pursuant to this Deed or otherwise) is expressly revoked and each Chargor shall hold those amounts, together with the proceeds of any of its Monetary Claims, on trust for the Trustee, pending payment to the Trustee for application in accordance with Clause 18 (*Application of proceeds*), and each Chargor waives its rights to any such amounts; and
- (b) the Trustee shall be entitled without notice to any Chargor to receive, withdraw, apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 18 (*Application of proceeds*).

### **10.3 Insurance Proceeds**

On and after the occurrence of a Notification Event:

- (a) the Trustee may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) that Chargor's rights

or remedies (including direction of any payments to the Trustee) under or in respect of any of its Insurance Policies (and, in respect of any such rights or remedies that have been assigned to the Trustee under this Deed, the Trustee may exercise some or all of those rights or remedies as assignee); and

- (b) each Chargor shall hold any payment that it receives under or in respect of its Insurance Policies on trust for the Trustee, pending payment to the Trustee for application in accordance with Clause 18 (*Application of proceeds*), and each Chargor waives its rights to any such payment.

#### **10.4 Material Contracts**

On and after the occurrence of a Notification Event:

- (a) the Trustee may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) that Chargor's rights or remedies (including direction of any payments to the Trustee) under or in respect of any Material Contract to which such Chargor is a party (and, in respect of any such rights or remedies that have been assigned to the Trustee under this Deed, the Trustee may exercise some or all of those rights or remedies as assignee); and
- (b) each Chargor shall hold any payment that it receives under or in respect of its Material Contracts on trust for the Trustee, pending payment to the Trustee for application in accordance with Clause 18 (*Application of proceeds*), and each Chargor waives its rights to any such payment.

### **11. ENFORCEMENT OF TRANSACTION SECURITY**

#### **11.1 Timing and manner of enforcement**

- (a) The Security shall become enforceable and the powers referred to in Clause 11.2 (*Extension and variation of powers under the LPA 1925*) shall become exercisable immediately upon the occurrence of a Notification Event.
- (b) Without prejudice to any other provision of this Deed, immediately after the Security has become enforceable, the Trustee may, in its absolute and sole discretion and without notice to any Chargor or prior authorisation from any person, court or similar body:
  - (i) enforce all or any part of the Security and require the payment or transfer to it of any amounts, proceeds or assets held on trust by any Chargor for its benefit;
  - (ii) in the case of any right or remedy comprising or in respect of any Security Asset that has been assigned to the Trustee under this Deed, exercise any such right or remedy as assignee; and/or
  - (iii) exercise all or any of the powers, authorities and discretions conferred on the Trustee:
    - (A) by the Pensions Agreement (and/or this Deed); or

- (B) otherwise by law on mortgagees, chargees, assignees, receivers (whether or not the Trustee has appointed a Receiver) and/or administrators (whether or not any Chargor is in administration),

in each case, at the times, in the manner and on the terms that it sees fit.

- (c) The Trustee shall not be liable to any Chargor for any loss arising from the manner in which the Trustee enforces or refrains from enforcing the Security, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.
- (d) Without prejudice to any other provision of this Deed, upon and after the Security becoming enforceable, each Chargor shall hold its Security Assets on trust for the Trustee.

#### **11.2 Extension and variation of powers under the LPA 1925**

- (a) The Secured Obligations shall be deemed to have become due and payable on the date of this Deed for the purposes of section 101 of the LPA 1925.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) and all other powers conferred on a mortgagee by law shall be deemed to arise immediately after execution of this Deed.
- (c) Any restriction imposed by law on the power of sale (including under section 103 of the LPA 1925) or the right of a mortgagee to consolidate mortgages (including under section 93 of the LPA 1925) shall not apply to the Security or this Deed.
- (d) The Trustee may lease, make agreements for leases at a premium or otherwise, surrender, rescind or agree or accept surrenders of leases and grant options on such terms and in such manner as it shall consider fit without the need to comply with any of the provisions of sections 99 and 100 of the LPA 1925. For the purposes of sections 99 and 100 of the LPA 1925, the expression "mortgagor" shall include any encumbrancer deriving title under the original mortgagor and section 99(18) of the LPA 1925 and section 100(12) of the LPA 1925 shall not apply.

#### **11.3 Contingencies**

If the Security is enforced at a time when no amount is due under the Pensions Agreement but at a time when amounts may or will become due, the Trustee (or a Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate.

#### **11.4 Exercise of powers**

All or any of the powers conferred on mortgagees by the LPA 1925 as varied or extended by this Deed (and all or any of the rights and powers conferred by this Deed on a Receiver) (in each case, whether express or implied) may be exercised by the Trustee without further notice to any Chargor at any time after the occurrence of a Notification Event, irrespective of whether the Trustee has taken possession of any Security Asset or appointed a Receiver.

### 11.5 Restrictions on notices

Before the occurrence of a Notification Event, the Trustee shall not give any notice, notification or instruction:

- (a) on an Account Bank in respect of the Accounts;
- (b) on an insurer or insurance broker (as applicable) in respect of the Insurance Policies; or
- (c) on a counterparty to any Material Contract in respect of any Material Contracts.

### 11.6 Protection of third parties

- (a) No person (including a purchaser) dealing with the Trustee or a Receiver or any of its or their respective agents shall be concerned to enquire:

- (i) whether the Secured Obligations have become payable;
- (ii) whether any power which the Trustee or that Receiver may purport to exercise has become exercisable or is being properly exercised;
- (iii) whether any amount remains due in respect of the Secured Obligations; or
- (iv) how any money paid to the Trustee or to that Receiver is to be applied,

and any such person who is not a Party may rely on this paragraph (a) and enforce its terms under the Third Parties Act.

- (b) Any person (including a purchaser) dealing with the Trustee or a Receiver shall benefit from the protections given to purchasers (as that term is used in the LPA 1925) from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver by section 42(3) of the IA 1986, and any such person who is not a Party may rely on this paragraph (b) and enforce its terms under the Third Parties Act.
- (c) The receipt by the Trustee or any Receiver of any monies paid to the Trustee or that Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person (including a purchaser) dealing with the Trustee or that Receiver of any obligation to see to the application of any monies paid to or at the direction of the Trustee or that Receiver, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act. Any sale or disposal of any Security Asset and any acquisition, in each case, by the Trustee or any Receiver shall be for such consideration, and made in such manner and on such terms as the Trustee or that Receiver sees fit.
- (d) In this Clause 11.6, *purchaser* includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

### 11.7 No liability as mortgagee in possession

None of the Trustee or any Receiver (or any agent, employee or officer of any of them) shall be liable by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession for any loss on realisation in respect of that Security Asset; or
- (b) for any act, neglect, default, omission or misconduct for which a mortgagee in possession might be liable,

and any such person who is not a Party may rely on this Clause 11.7 and enforce its terms under the Third Parties Act.

#### **11.8 Redemption of prior security**

- (a) The Trustee or any Receiver may at any time after the occurrence of a Notification Event:
  - (i) redeem any prior security on or relating to any Security Asset or procure the transfer of that security to itself; and
  - (ii) settle and pass the accounts of any person entitled to that prior security, and any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor.
- (b) Each Chargor shall on demand pay to the Trustee all principal monies and interest and all Costs and Expenses incidental to any redemption or transfer under this Clause 11.8.

#### **11.9 Right of appropriation**

- (a) To the extent that any of the Security Assets constitute “financial collateral” and this Deed and the obligations of any Chargor under it constitute a “security financial collateral arrangement” (in each case, as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the *FCR Regulations*)), upon and after the Security becoming enforceable, the Trustee or any Receiver shall have the benefit of all the rights conferred on a collateral taker under the FCR Regulations, including the right to appropriate without notice to any Chargor (either on a single occasion or on multiple occasions) all or any part of that financial collateral in or towards discharge of the Secured Obligations and, for this purpose, the value of the financial collateral so appropriated shall be:
  - (i) in the case of cash, the amount standing to the credit of each Account, together with any accrued but unposted interest at the time the right of appropriation is exercised; and
  - (ii) in the case of any Investments (or any other financial collateral), the market price of those Investments (or any other financial collateral) determined (after appropriation) by the Trustee or any Receiver in a commercially reasonable manner (including by reference to a public index or independent valuation).
- (b) The Parties agree that the methods of valuation set out in paragraphs (a)(i) and (a)(ii) above are commercially reasonable methods of valuation for the purposes of the FCR Regulations.
- (c) Each Chargor irrevocably and unconditionally agrees that the Trustee may delegate its rights under paragraph (a) above to one or more persons and that such delegates may exercise such rights on behalf of the Trustee.



### **11.10 No obligations in respect of the Security Assets**

The Trustee is not obliged to do any of the following in respect of any Security Asset:

- (a) perform any obligation of the Chargors;
- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargors;
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it or the Chargors may be entitled; or
- (e) exercise any rights to which it or the Chargors may be entitled.

## **12. RECEIVER**

### **12.1 Appointment of Receivers and administrators**

- (a) The Trustee may, by deed or otherwise in writing (and signed by any officer, manager or authorised signatory of the Trustee) and without notice to any Chargor, appoint one or more qualified persons to be a Receiver or Receivers, at any time:
  - (i) upon and after the Security becoming enforceable (whether or not the Trustee has taken possession of any Security Asset); or
  - (ii) at the written request of any Chargor.
- (b) The Trustee may not appoint an administrative receiver over any Security Asset to the extent prohibited by section 72A of the IA 1986.
- (c) Section 109(1) of the LPA 1925 shall not apply to this Deed.
- (d) If the Trustee appoints more than one person as Receiver, the Trustee may give those persons power to act either jointly or severally.
- (e) Any Receiver may be appointed Receiver of all or any of the Security Assets or Receiver of a part of the Security Assets specified in the appointment. In the case of an appointment of a part of the Security Assets, the rights conferred on a Receiver as set out in Clause 12.6 (*Powers of Receivers*) shall have effect as though every reference in that Clause to any Security Assets is a reference to the part of those assets so specified or any part of those assets.
- (f) Subject to (and in the manner prescribed by) law, the Trustee may also appoint an administrator.

### **12.2 Moratorium – Receivers**

The Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000.

### **12.3 Removal of Receivers**

The Trustee may by notice in writing remove any Receiver appointed by it (subject to section 45 of the IA 1986 in the case of an administrative receivership) whenever it considers fit and

appoint a new Receiver instead of any Receiver whose appointment has terminated for any reason.

#### **12.4 Agent of the Chargors**

- (a) Any Receiver shall be the agent of the relevant Chargor for all purposes and accordingly shall be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925.
- (b) The relevant Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (c) The Trustee shall not incur any liability (either to any Chargor or any other person) by reason of the appointment of a Receiver or for any other reason.

#### **12.5 Remuneration**

- (a) The Trustee may:
  - (i) subject to section 36 of the IA 1986, determine the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the LPA 1925) shall not apply to this Deed; and
  - (ii) direct the payment of the remuneration of any Receiver appointed by it out of monies accruing to that Receiver in its capacity as such.
- (b) Notwithstanding paragraph (a) above, the relevant Chargor shall be liable for the payment of the remuneration of any Receiver appointed by the Trustee and for all Costs and Expenses of that Receiver.

#### **12.6 Powers of Receivers**

Notwithstanding any Dissolution Event or Insolvency Event applicable to any Chargor, any Receiver appointed pursuant to Clause 12.1 (*Appointment of Receivers and administrators*) shall have the following rights, powers and discretions:

- (a) all the rights, powers and discretions conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925 (in each case, to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);
- (b) all the rights, powers and discretions of an administrative receiver set out in Schedule 1 to the IA 1986 as in force on the date of this Deed (whether or not in force on the date of exercise) and all rights, powers and discretions of an administrative receiver that may be added to Schedule 1 to the IA 1986 after the date of this Deed (in each case, whether or not the Receiver is an administrative receiver (as defined in the IA 1986) and to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);
- (c) all the rights, powers and discretions expressed to be conferred upon the Trustee in the Pensions Agreement (and/or this Deed), including all the rights, powers and

discretions conferred upon the Trustee in the Pensions Agreement and/or this Deed to release any Security Asset from the Security;

- (d) to take immediate possession of, get in and collect any Security Asset and to require payment to him/her or to the Trustee of any Monetary Claims or credit balance on any Account;
- (e) to carry on any business of any Chargor in any manner he/she considers fit;
- (f) to enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which any Chargor is a party;
- (g) to appoint and discharge any managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she considers fit and to discharge any person appointed by any Chargor;
- (h) to raise and borrow money either unsecured or on the security of any Security Asset either in priority to the Security created pursuant to this Deed or otherwise and generally on any terms and for whatever purpose which he/she considers fit;
- (i) to sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner, and on any terms, which he/she considers fit, and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period);
- (j) to settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;
- (k) to bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she considers fit;
- (l) to give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Security Asset;
- (m) to form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset;
- (n) to delegate his/her powers in accordance with this Deed;
- (o) to lend money or advance credit to any customer of any Chargor;
- (p) to effect any insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset, in each case, as he/she considers fit;
- (q) to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he may consider fit) any assets which he considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Security Assets or the business of any Chargor;
- (r) to exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset;

- (s) to make any payment and incur any expenditure, which the Trustee is, pursuant to this Deed, expressly or impliedly authorised to make or incur;
- (t) to do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law (as varied or extended by this Deed); and
- (u) to use the name of any relevant Chargor for any of the purposes set out in paragraphs (a) to (t) (inclusive) above.

### **13. DELEGATION**

- (a) The Trustee or any Receiver may delegate (and any delegate may sub-delegate) by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.
- (b) Any delegation under this Clause 13 may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Trustee or any Receiver may consider fit.
- (c) None of the Trustee or any Receiver (or any agent, employee or officer of any of them) shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, neglect, default, omission or misconduct on the part of any delegate, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.
- (d) References in this Deed to the Trustee or a Receiver shall be deemed to include references to any delegate or sub-delegate of the Trustee or Receiver appointed in accordance with this Clause 13.

### **14. PRESERVATION OF SECURITY**

#### **14.1 Reinstatement**

- (a) If any payment by a Chargor or any discharge or release given by the Trustee (whether in respect of the obligations of any person or any security or guarantee for those obligations or otherwise) is avoided, set aside, refunded or reduced as a result of insolvency or any similar event or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise without limitation:
  - (i) the liability of that Chargor and the relevant security or guarantee shall continue as if the payment, discharge, release, avoidance, reduction or other applicable event had not occurred; and
  - (ii) the Trustee shall be entitled to recover the value or amount of that security, guarantee or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.
- (b) The Trustee may concede or compromise any claim that any payment, security, guarantee or other disposition is liable to avoidance or restoration.

## 14.2 Waiver of defences

None of the obligations of any Chargor under this Deed or any Security shall be affected by any act, omission, matter or thing (whether or not known to a Chargor or the Trustee) which, but for this provision, would reduce, release, prejudice or provide a defence to any of those obligations including:

- (a) any time, waiver or consent, or any other indulgence or concession, in each case, granted to, or composition with, any Chargor or any other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee or indemnity or any document, including any arrangement or compromise entered into by the Trustee with any Chargor or any other person;
- (d) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee or indemnity or any document (including any failure to present, or comply with, any formality or other requirement in respect of any instrument, or any failure to realise the full value of any rights against, or security over the assets of, any Chargor or any other person);
- (e) the existence of any claim, set-off or other right which any Chargor may have at any time against the Trustee or any other person;
- (f) the making, or absence, of any demand for payment or discharge of any Secured Obligations;
- (g) any amalgamation, merger or reconstruction that may be effected by the Trustee with any person, including any reconstruction by the Trustee involving the formation of a new company and the transfer of all or any of the assets of the Trustee to that company, or any sale or transfer of the whole or any part of the undertaking and/or assets of the Trustee to any person;
- (h) any incapacity or lack of power, authority or legal personality or Dissolution Event or Insolvency Event, in each case, of any Chargor or any other person, or any change in the members or status of any Chargor or any other person;
- (i) any variation, amendment, waiver, release, novation, supplement, extension, restatement or replacement of, or in connection with, the Pensions Agreement or any other document (including any document or agreement relating to the Scheme) or any security, guarantee or indemnity, in each case, however fundamental and of whatever nature (and including any amendment that may increase the liability of any Chargor);
- (j) any change in the identity of the Trustee or any variation of the terms of the trust upon which the Trustee holds the Security;
- (k) any unenforceability, illegality or invalidity of any obligation of any person under the Pensions Agreement, or any Secured Obligations or any other document (including any document or agreement relating to the Scheme) or any security, guarantee or indemnity; or

- (l) any Dissolution Event, Insolvency Event, insolvency or similar proceedings.

#### **14.3 Immediate recourse**

- (a) Each Chargor waives any right it may have of first requiring the Trustee to proceed against or enforce any other rights or security or claim payment from any person before claiming from or enforcing against such Chargor under this Deed or the Pensions Agreement.
- (b) The waiver in this Clause 14.3 applies irrespective of any law or any provision of the Pensions Agreement to the contrary.

#### **14.4 Appropriations**

On and after the occurrence of a Notification Event and until the Final Discharge Date, the Trustee may:

- (a) refrain from applying, appropriating or enforcing any monies, security or rights held or received by the Trustee (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply, appropriate and enforce the same in such manner and order as it considers fit (whether against the Secured Obligations or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from a Chargor or on account of any Chargor's liability under this Deed or the Pensions Agreement.

#### **14.5 Deferral of Chargor's rights**

- (a) Until the Final Discharge Date and unless the Trustee otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance (or a claim for performance) by it of its obligations under the Pensions Agreement or this Deed:
- (i) to be indemnified by the Employer or Section 75 Employer or to receive any collateral from the Employer or Section 75 Employer; and/or
  - (ii) to claim any contribution or indemnity from any other guarantor of the Secured Obligations; and/or
  - (iii) take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Trustee or of any guarantee, indemnity or security taken pursuant to, or in connection with, the Secured Obligations by the Trustee; and/or
  - (iv) to bring legal or other proceedings for an order requiring any Employer or Section 75 Employer to make payment, or perform any obligation, in respect of any Secured Obligation; and/or
  - (v) to exercise any right of set-off against any Employer or Section 75 Employer; and/or
  - (vi) to claim, rank, prove or rank as a creditor of any Employer or Section 75 Employer; and/or
  - (vii) exercise any right of quasi-retainer or other analogous equitable right.

- (b) If any Chargor receives any benefit, payment or distribution in relation to any right referred to in paragraph (a) above, it shall hold that benefit, payment or distribution, to the extent necessary to enable all amounts which may be or become payable to the Trustee by that Chargor in respect of the Secured Obligations to be repaid in full, on trust for the Trustee and shall promptly pay or transfer the same to the Trustee or as the Trustee may direct. If any benefit, payment or distribution cannot be held on trust or is applied in non-compliance with this paragraph (a)(i), the relevant Chargor shall owe the Trustee a debt equal to the amount of the relevant benefit, payment or distribution and shall immediately pay or transfer that amount to the Trustee or as the Trustee may direct.

#### **14.6 Security held by Chargor**

- (a) No Chargor shall, without the prior written consent of the Trustee, hold or otherwise take the benefit of any security from any other member of the Group in respect of any Chargor's liability under this Deed.
- (b) Each Chargor shall hold any security and the proceeds thereof held by it in breach of this Clause 14.6 on trust for the Trustee and shall promptly pay or transfer the same to the Trustee or as the Trustee may direct. If any security or proceeds cannot be held on trust or is or are applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Trustee a debt equal to the amount of the relevant security or proceeds and shall immediately pay or transfer that amount to the Trustee or as the Trustee may direct.

#### **14.7 New accounts and ruling off**

- (a) The Trustee may open a new account in the name of any Chargor at any time after a subsequent security affects any Security Asset or if a Notification Event has occurred.
- (b) If the Trustee does not open a new account in the circumstances referred to in paragraph (a) above it shall nevertheless be deemed to have done so upon the occurrence of such circumstances.
- (c) No monies paid into any account (whether new or continuing) after the occurrence of the circumstances referred to in paragraph (a) above shall reduce or discharge the Secured Obligations.

#### **15. Additional security**

This Security is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee, security, right or remedy now or subsequently obtained or held by the Trustee for the discharge and performance of any of the Secured Obligations.

#### **16. FURTHER ASSURANCES**

##### **16.1 General**

Each Chargor shall, at its own expense, take whatever action the Trustee or a Receiver may reasonably require or consider expedient for:

- (a) creating, perfecting or protecting any Security intended to be created by or pursuant to this Deed;

- (b) facilitating the realisation of any Security Asset;
- (c) creating or perfecting security in favour of the Trustee over the assets of that Chargor located in any jurisdiction outside England and Wales; and/or
- (d) facilitating the exercise of any right, power or discretion exercisable by the Trustee or any Receiver in respect of any Security Asset,

including:

- (i) the execution of any legal or equitable mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Trustee or to its nominee;
- (ii) the transfer of legal and/or equitable title in any existing or future Real Property to a third party (including after the exercise of any right of appropriation pursuant to Clause 11.9 (*Right of appropriation*)); and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Trustee may reasonably consider expedient and on such terms as it considers reasonably fit.

## **16.2 Register of Trade Marks**

Each Chargor as registered proprietor appoints the Trustee as its agent to apply for the particulars of this deed and the Trustee's interest in its existing trade marks and trade mark applications which constitute Material Intellectual Property and any future trade marks or trade mark applications which constitute Material Intellectual Property registered or to be registered in the United Kingdom, to be made on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994, and each Chargor agrees to execute all documents and forms required to enable those particulars to be entered on the Register of Trade Marks.

## **17. POWER OF ATTORNEY**

### **17.1 Appointment**

- (a) Each Chargor by way of security irrevocably appoints the Trustee and each Receiver severally as its attorney, with full power of substitution, on its behalf and in its name or otherwise, on or after the occurrence of a Notification Event at such time and in such manner as the attorney considers fit:
  - (i) to do anything which it is obliged to do under this Deed (but has not done);
  - (ii) to do anything which it is obliged to do under this Deed; and
  - (iii) to exercise any of the rights conferred on the Trustee or any Receiver in relation to any Security Asset or under this Deed or the Pensions Agreement, the LPA 1925 or the IA 1986.
- (b) The power of attorney conferred on the Trustee and each Receiver pursuant to paragraph (a) above shall continue notwithstanding the exercise of any right of appropriation pursuant to Clause 11.9 (*Right of appropriation*).



## 17.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 17.1 (*Appointment*).

## 17.3 Waiver

Each Chargor waives any breach of 7 (*Confidentiality*) of the Pensions Agreement that may occur as a result of the Trustee taking any action under paragraph (a) of Clause 17.1 (*Appointment*).

## 18. APPLICATION OF PROCEEDS

Without prejudice to any other provision of this Deed, all amounts and other proceeds or assets received by the Trustee or Receiver pursuant to this Deed or the powers conferred by it shall be applied in the following order:

- (a) *first*, in or towards payment of any Costs and Expenses incurred by the Trustee or the Receiver;
- (b) *secondly*, in or towards the discharge of the Secured Obligations until the Trustee has received Net Enforcement Proceeds in an amount equal to £32,500,000; and
- (c) *thirdly*, in or towards payment to the relevant Chargor or any person entitled to it.

## 19. EXPENSES AND INDEMNITIES

Each Chargor shall:

- (a) promptly pay and reimburse the Trustee, attorney, manager or other person (including each of their respective agents, employees and officers) appointed by the Trustee or a Receiver under this Deed (each, an ***Indemnified Person***), all Costs and Expenses reasonably incurred by that Indemnified Person in connection with the holding, preservation or enforcement or the attempted preservation or enforcement of the Trustee's rights under this Deed or otherwise in connection with the performance of this Deed or any documents required pursuant to (or in connection with) this Deed, including any Costs and Expenses arising from any actual or alleged breach by any person of any law, agreement or regulation, whether relating to the environment or otherwise (including the investigation of that breach); and
- (b) keep each Indemnified Person indemnified against any failure or delay in paying the Costs and Expenses and interest referred to in paragraph (a) above.

Any Indemnified Person who is not a Party may rely on this Clause 19 and enforce its terms under the Third Parties Act.

## 20. PAYMENTS

### 20.1 Funds

Payments under this Deed to the Trustee must be made for value on the due date at such times and in such funds as the Trustee may specify to the Chargors as being customary at the time for the settlement of transactions in the relevant currency in the place for payment.

**20.2 Currency**

Any amount payable under this Deed is payable in Sterling.

**20.3 No set-off or counterclaim**

All payments made by the Chargors under this Deed shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

**21. SET-OFF**

The Trustee may set off any matured obligation owed to it by any Chargor under this Deed (to the extent beneficially owned by the Trustee) against any obligation (whether or not matured) owed by the Trustee to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Trustee may convert either obligation at a market rate of exchange selected by it (acting reasonably) for the purpose of the set-off.

**22. CHANGES TO PARTIES****22.1 Transfer by the Trustee**

The Trustee may not assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Deed. Each Chargor acknowledges that the rights and obligations under this Deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.

**22.2 Transfer by the Chargors**

No Chargor may assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Deed.

**23. MISCELLANEOUS****23.1 Trustee's liability**

None of the Trustee or any Receiver (or any agent, employee or officer of any of them) shall (either by reason of taking possession of any Security Asset or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor or any other person for any Costs and Expenses relating to:

- (a) the realisation of any Security Asset or the taking of any other action permitted by this Deed; or
- (b) resulting from or arising in connection with any act, neglect, default, omission or misconduct of the Trustee or any Receiver (or any agent, employee or officer of any of them) in relation to any Security Asset or in connection with the Pensions Agreement,

in each case, except to the extent directly caused by its or his/her own gross negligence or wilful misconduct, and each such person who is not a Party may rely on this Clause 23.1 and enforce its terms under the Third Parties Act.

**23.2 Failure to execute and intention to be bound**

- (a) Failure by one or more Parties to execute this Deed (those Parties being *Non-Signatories*) on the date hereof shall not invalidate the provisions of this Deed as between the other Parties who do execute this Deed.
- (b) Each Non-Signatory may execute this Deed on a subsequent date and shall thereupon become bound by its provisions.
- (c) The execution of this Deed by any person other than the Trustee shall be conclusive evidence of its intention to be bound by, and comply with, this Deed as a Chargor in respect of its assets, including if its name is misdescribed, or if its name is not set out, *in any applicable Schedule or provision of this Deed*.

**23.3 Execution as a deed**

Each Party intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the Parties may only execute this Deed under hand.

**23.4 Determinations**

Any certification or determination by the Trustee or any Receiver under this Deed or the Pensions Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

**24. PARTIAL INVALIDITY**

- (a) If at any time any provision of this Deed is or becomes invalid, illegal, void or unenforceable in any respect under the law of any jurisdiction, that shall not in any way affect or impair:
  - (i) the legality, validity or enforceability of that provision under the law of any other jurisdiction; or
  - (ii) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction.
- (b) The Parties shall enter into good faith negotiations (but without any liability whatsoever in the event of no agreement being reached) to replace any invalid, illegal, void or unenforceable provision of this Deed, with a view to obtaining the same commercial effect as this Deed would have had if that provision had been valid, legal and enforceable.

**25. TRUSTS**

If any trust intended to arise pursuant to any provision of this Deed or the Pensions Agreement fails or for any reason (including the laws of any jurisdiction in which any assets, monies, payments or distributions may be situated, or pursuant to any provision of this Deed or the Pensions Agreement) does not otherwise take effect, each Chargor shall:

- (a) hold at the direction of the Trustee the amount, proceeds or Security Asset or other assets intended to be held on trust; and

- (b) owe the Trustee a debt equal to that amount or the value of those proceeds or that Security Asset or those other assets and, if required by the Trustee, that Chargor shall immediately pay or transfer to the Trustee, or as the Trustee may direct, an amount equivalent to that debt.

## **26. AMENDMENTS**

This Deed may only be amended, modified or waived in any respect with the prior written consent of the Trustee and each Chargor, such consent to be given with express reference to this Clause 26.

## **27. REMEDIES AND WAIVERS**

No delay or omission on the part of the Trustee in exercising any right or remedy provided by law or under this Deed shall impair, affect or operate as a waiver of that or any other right or remedy. The single or partial exercise by the Trustee of any right or remedy shall not, unless otherwise expressly stated, preclude or prejudice any other or further exercise of that, or the exercise of any other, right or remedy. The rights and remedies of the Trustee under this Deed are in addition to, and do not affect, any other rights or remedies available to it by law.

## **28. NOTICES**

### **28.1 Notices**

Any notice or other communication to be served under or in connection with this Deed shall be made in accordance with clause 9 (*Notices*) of the Pensions Agreement and those clauses are incorporated into this Deed as if set out in full in this Deed, except that references to “this Agreement” shall be construed as references to this Deed.

## **29. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

## **30. GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with this Deed are governed by English law.

## **31. ENFORCEMENT**

### **31.1 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a *Dispute*).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

- (c) This Clause 31.1 is for the benefit of the Trustee only. As a result, Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Trustee may take concurrent proceedings in any number of jurisdictions.

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

**SCHEDULE 1**  
**CHARGORS**

<b>Name of Chargor</b>	<b>Jurisdiction of incorporation</b>	<b>Registered number</b>	<b>Registered address</b>
Saga Mid Co Limited	England and Wales	08804262	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Saga plc	England and Wales	08804263	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Metromail Limited	England and Wales	02289304	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Saga Group Limited	England and Wales	00638891	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Saga Publishing Limited	England and Wales	02152564	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Saga Services Limited	England and Wales	00732602	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE
Saga Leisure Limited	England and Wales	02421829	Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE

**SCHEDULE 2  
SECURITY ASSETS**

**Part A  
Real Property**

N/A

**Part B  
Shares**

<b>Chargor</b>	<b>Subsidiary</b>	<b>Number and class of shares</b>	<b>Details of nominees holding legal title</b>
Saga plc	Saga Mid Co Limited	8 Ordinary shares of £1	N/A
Saga Mid Co Limited	Saga Leisure Limited	8,109,322 Ordinary shares of £0.25	N/A
Saga Leisure Limited	Saga Group Limited	18,086,076 Ordinary shares of £0.20	N/A
Saga Leisure Limited	CHMC Holdings Limited	1 Ordinary share of £1	N/A
Saga Group Limited	Saga Publishing Limited	100,000 Ordinary shares of £1	N/A
Saga Group Limited	Metromail Limited	98,000 Ordinary shares of £1	N/A
Saga Group Limited	Saga Services Limited	2,100,000 Ordinary shares of £1	N/A
Saga Group Limited	ST&H Group Limited	46,537,752 Ordinary shares of £1	N/A

**Part C  
Accounts**

<b>Chargor</b>	<b>Account Bank</b>	<b>Account number</b>	<b>Sort code</b>
Saga Mid Co Limited	NatWest		
Saga plc	NatWest		
Metromail Limited	NatWest		
Saga Group Limited	NatWest		

Saga Group Limited	NatWest		
Saga Publishing Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		
Saga Services Limited	NatWest		

**Part D**  
**Insurance Policies**

N/A

**Part E**  
**Material Contracts**

N/A



**Part F**  
**Intellectual Property**

<b>Trade marks</b>				
<b>Chargor</b>	<b>Trade mark number</b>	<b>Jurisdiction/ apparent status</b>	<b>Classes</b>	<b>Mark text</b>
N/A	N/A	N/A	N/A	N/A

<b>Patents</b>		
<b>Chargor</b>	<b>Patent number</b>	<b>Description</b>
N/A	N/A	N/A

SIGNATORIES TO THE SECURITY AGREEMENT

THE CHARGORS

EXECUTED as a DEED by  
SAGA MID CO LIMITED  
acting by:

)  
)  
)



Name:

JONATHAN HILL

Title: Director

in the presence of:

)  
)  
)



Name of witness:

KAREN CAPRICIC

Address:

Flat 1, 21 Eversley Park  
Sandgate  
CT20 3FE

EXECUTED as a DEED by  
SAGA PLC  
acting by:

)  
)  
)



Name:

JONATHAN HILL

Title: Director

in the presence of:

)  
)  
)



Name of witness:

KAREN CAPRICIC

Address:

Flat 1, 21 Eversley Park  
Sandgate  
CT20 3FE

**EXECUTED as a DEED by**  
**METROMAIL LIMITED**  
acting by:

)  
)  
)



Name:  
Title: Director

*JONATHAN HILL*

in the presence of:

)  
)  
)



Name of witness:

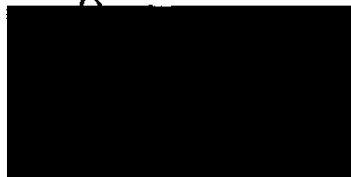
*KAREN CADDICK*

Address:

*Flat 1, 21 Eversley Park  
Sandgate  
CT20 3FE*

**EXECUTED as a DEED by**  
**SAGA GROUP LIMITED**  
acting by:

)  
)  
)



Name:  
Title: Director

*JONATHAN HILL*

in the presence of:

)  
)  
)



Name of witness:

*KAREN CADDICK*

Address:

*Flat 1, 21 Eversley Park  
Sandgate  
CT20 3FE*

SIGNATURE PAGE

**EXECUTED as a DEED by**  
**SAGA SERVICES LIMITED**  
acting by:

)  
)  
)



Name:

*JONATHAN HILL*

Title: Director

in the presence of:

)  
)  
)



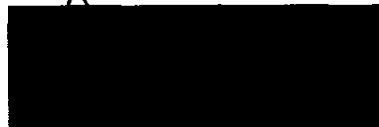
Name of witness:

*/KAREN CADDICK -*  
*Flat 1, 21 EVERLEY PARK*  
*Sandgate*  
*CT20 3PE*

Address:

**EXECUTED as a DEED by**  
**SAGA LEISURE LIMITED**  
acting by:

)  
)  
)



Name:

*JONATHAN HILL*

Title: Director

in the presence of:

)  
)  
)



Name of witness:

*/KAREN CADDICK*

Address:

*Flat 1, 21 EVERLEY PARK*  
*Sandgate*  
*CT20 3PE*

**EXECUTED** as a **DEED** by  
**SAGA PUBLISHING LIMITED**  
acting by:

)  
)  
)



Name:

Title: Director

*JONATHAN HILL*

in the presence of:

)  
)  
)



Name of witness:

Address:

*KAREN CADDICK*

*Flat 1, 21 Evelyn Park  
Surrey  
CT20 2FE*

**THE TRUSTEE**

**EXECUTED as a DEED by** )  
**SAGA PENSIONS TRUSTEES** )  
**LIMITED**  
acting by: )

Director

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Director

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