



Registration of a Charge

Company name: **HARLEQUIN ESTATES (TWICKENHAM) LIMITED**
Company number: **01002965**



X782F9OU

Received for Electronic Filing: **14/06/2018**

Details of Charge

Date of creation: **14/06/2018**
Charge code: **0100 2965 0009**
Persons entitled: **BUTTERFIELD BANK (GUERNSEY) LIMITED**
Brief description: **THE REAL PROPERTY AS DEFINED IN THE CHARGE INCLUDING, PART OF THE LAND AND BUILDINGS KNOWN AS THE TWICKENHAM STOOP STADIUM, LANGHORN DRIVE, TWICKENHAM, TW2 7SX AND THE STOOP MEMORIAL GROUND, LANGHORN DRIVE, TWICKENHAM REGISTERED WITH PART OF TITLE NUMBER TGL318831 AND LAND AT LANGHORN DRIVE, TWICKENHAM REGISTERED WITH TITLE NUMBER TGL439923. SEE THE CHARGE FOR MORE DETAILS.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **HERBERT SMITH FREEHILLS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1002965

Charge code: 0100 2965 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th June 2018 and created by HARLEQUIN ESTATES (TWICKENHAM) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th June 2018 .

Given at Companies House, Cardiff on 18th June 2018

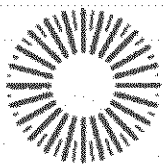
The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

14 June 2018

THE PERSONS LISTED IN SCHEDULE 2
TO THIS DEBENTURE
as the Companies

and

BUTTERFIELD BANK (GUERNSEY) LIMITED
as the Bank

DEBENTURE

Herbert Smith Freehills LLP

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THIS DEED is made on

14 June

2018

BETWEEN:

- (1) THE PERSONS LISTED IN SCHEDULE 2 TO THIS DEBENTURE (each a "Company" and together the "Companies"); and
- (2) BUTTERFIELD BANK (GUERNSEY) LIMITED a company governed by the laws of Guernsey, having its registered office at P.O. Box 25, Regency Court, Glatigny Esplanade, St Peter Port, Guernsey GY1 3AP and registered with the Guernsey Registrar of Companies under number 21061 (the "Bank").

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

- 1.1.1 Terms defined in the Facility Letter shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

"Account Proceeds" means all amounts (including interest) from time to time standing to the credit of any bank or other account of each Company with any bank, building society, financial institution or other person and the debts represented thereby.

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the affairs, business and property of any Company.

"Ancillary Liabilities" in relation to any of the Subordinated Debt means:

- (a) any refinancing, novation, refunding, restructuring, deferral or extension of any of those liabilities;
- (b) any further advance which may be made under any agreement supplemental to the relevant facilities or credit agreement plus all interest, indemnities, fees and costs in connection therewith;
- (c) any claim for damages or restitution in the event of rescission of any such liabilities or otherwise in connection with any relevant facilities or credit agreement;
- (d) any claim against any Debtor flowing from any recovery by any Debtor of a payment or discharge in respect of those liabilities on the grounds of preference or otherwise; and
- (e) any amounts (including post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

"Assigned Agreements" means any present or future agreement, contract, deed, lease, underlease, tenancy, licence, undertaking, guarantee or other contract to which any of the Companies are now or may in the future become a party including, for the avoidance of doubt, a Contract.

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

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Fixed Security*) and 4.1 (*Creation of Floating Charge*) of this Deed.

"Contract" means any document evidencing or recording the terms of any Subordinated Debt.

"Dangerous Substance" means any natural or artificial substance (whether in a solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any such other substance) capable of causing harm to the Environment or damaging the Environment or public health or welfare including any noxious, hazardous, toxic, dangerous, special or controlled waste or other polluting substance or matter.

"Debtors" means:

- (a) Harlequin Estates (Twickenham) Limited, a private limited company incorporated in England and Wales with registration number 01002965;
- (b) Harlequin FC Holdings Limited, a private limited company incorporated in England and Wales with registration number 08822147; and
- (c) Harlequin Community Limited, a private limited company incorporated in England and Wales with registration number 10984815.

"Debts" means all of a Company's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to that Company or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

"Environment" means the natural and man-made environment and all or any of the following media namely air (including air within buildings and air within other natural or man-made structures above or below ground), water (including water under or within land or in drains or sewers and inland waters), land and any living organisms (including humans) or systems supported by those media.

"Environmental Claim" means any claim alleging liability whether civil or criminal and whether actual or potential arising out of or resulting from the presence at, on or under the Real Property or presence in or escape or release into the environment of any Dangerous Substance from the Real Property or in circumstances attributable to the operation of any Company's activities or any breach of any applicable Environmental Law or any applicable Environmental Licence.

"Environmental Law" means all statutes, instruments, regulations, orders and ordinances (including European Union legislation, regulations, directives, decisions and judgements applicable to the United Kingdom) being in force from time to time and directly enforceable in the United Kingdom relating to pollution, prevention thereof or protection of human health or the conditions of the Environment or the use, disposal, generation, storage, transportation, treatment, dumping, release, deposit, burial, emission or disposal of any Dangerous Substance.

"Environmental Licence" means any permit, licence, authorisation, consent or other approval required by any Environmental Law or the Planning (Hazardous Substances) Act 1990.

"Environmental Losses" means all losses, damages, liabilities, claims, costs and expenses (including fines, penalties, judgments and awards, financial responsibility for clean-up activities and obligations, statutory or other official contributions, legal fees, technical consultancy, engineer's and expert's fees and costs and expenses) of obtaining or retaining consents or licences or otherwise complying with Environmental Law.

"Event of Default" has the meaning given to such term in the Facility Letter.

"Facility Letter" means the letter dated on or about the date of this Deed between among others, (1) Harlequin FC Holdings Limited as borrower and (2) the Bank.

"Insurance Policies" means all present and future contracts or policies of insurance (including life policies) in which a Company has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

"Insurance Proceeds" means all monies from time to time payable to each Company under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

"Intellectual Property Rights" means all patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, database rights, domain names, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests (which may now or in the future exist), whether registered or unregistered, and the benefit of all applications and the rights to use such assets (which may now or in the future exist) and all Related Property Rights.

"Investments" means all of a Company's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants and other securities of any kind whatsoever whether in bearer or registered form, and all other interests in any person and all Related Investment Rights whether the same are held directly by or to the order of a Company or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system (including Euroclear UK & Ireland Limited for the London Stock Exchange plc and the Central Gilts Office Service for transactions in gilt edged stocks and any nominees thereof) or custodian on behalf of a Company or whether the same have been delivered to or to the order of the Bank or its nominee including all Related Investment Rights, all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of a Company.

"LPA" means the Law of Property Act 1925.

"Occupational Lease" means any occupational lease or licence or other right of occupation to which the Real Property may be subject from time to time.

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008 and any other enactment for the time being in force relating to the use, development and enjoyment of land and buildings (including section 96 of, and Schedules 13 and 14 to, the Environment Act 1995).

"Real Property" means:

- (a) all of the freehold and/or leasehold property of each Company specified in Part A of Schedule 2 (*Real Property*);
- (b) all freehold and leasehold property or immovable property of each Company situated in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b) above; and
- (d) the Related Property Rights.

"Receiver" means any person appointed by the Bank to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of any Obligor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property including each of the following amounts so payable:

- (a) rent (and any amount equivalent thereto) payable whether it is variable or not and however or wherever it is described, reserved or made payable;
- (b) any increase of rent payable by virtue of an offer falling within the proviso of section 3(1) of the Landlord and Tenant Act 1927;
- (c) any rent payable by virtue of a determination made by the Court under section 24(A) of the Landlord and Tenant Act 1954;
- (d) any sum received from any deposit held as security for performance of any tenant's obligations (excluding any sum which is payable to that tenant);
- (e) any other moneys payable in respect of occupation and/or usage of the Real Property and every fixture and fitting therein and every fixture thereon for display or advertisement, on licence or otherwise;
- (f) any profits awarded or agreed to be payable as a result of any proceedings taken or claim made for the same;
- (g) any damages, compensation, settlement or expenses for or representing loss of rent or interest thereon awarded or agreed to be payable as a result of any proceedings taken or claim made for the same net of any costs, fees and expenses paid (and which have not been reimbursed to, and which are not recoverable by, any Company from any party) in furtherance of such proceedings so taken or claim so made;
- (h) any moneys payable under any policy of insurance in respect of loss of rent or interest thereon;
- (i) any sum payable or the value of any consideration to be given by or on behalf of a tenant for the surrender or variation of any lease document or occupancy agreement;
- (j) any sum payable by any guarantor of any occupational tenant under any lease document; and
- (k) any interest payable on any sum referred to above and any damages, compensation or settlement payable in respect of the same).

"Related Investment Rights" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Investments.

"Related Property Rights" means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of any Substance into the Environment.

"Secured Liabilities" means all monies, obligations and liabilities covenanted to be paid or discharged pursuant to Clause 2 (*Covenants to Pay*).

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

"Security Period" means the period from the date of this Deed until the date on which the Bank has determined (acting reasonably) that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

"Shares" means:

- (a) the entire issue share capital of Harlequin Estates (Twickenham) Limited, a private limited company incorporated in England and Wales with registration number 01002965, from time to time, being at the date of this Deed, three issued ordinary shares of Harlequin Estates (Twickenham) Limited legally and beneficially owned by Harlequin FC Holdings Limited;
- (b) the entire issue share capital of Harlequin Community Limited, a private limited company incorporated in England and Wales with registration number 10984815, from time to time, being at the date of this Deed, one issued ordinary share of Harlequin Community Limited legally and beneficially owned by Harlequin FC Holdings Limited;
- (c) all Related Investment Rights in respect thereof; and
- (d) all Related Property Rights in respect thereof.

"Subordinated Debt" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing due or incurred by any Debtor to any Company together with all Ancillary Liabilities relating thereto.

"Substance" means any solid, liquid, gas, noise and any other substance or thing which causes or is likely to cause harm to the Environment or harm to human health.

"Undocumented Debt" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing due or incurred by any Debtor to any Company together with any Ancillary Liabilities relating thereto which are not evidenced or recorded by the Contract but which otherwise exists from time to time.

"VAT" means United Kingdom Value Added Tax together with all interest and penalties relating thereto.

- 1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

1.2 Construction and Third Party Rights

- 1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (A) the singular includes the plural and vice versa;
- (B) the **"Bank"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (C) **"assets"** includes present and future properties, revenues and rights of every description;
- (D) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint

venture, consortium or partnership (whether or not having separate legal personality);

- (E) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (F) a provision of law is a reference to that provision as amended or re-enacted;
- (G) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
- (H) this Deed shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- (I) another agreement (including the Facility Letter) shall be construed as a reference to such agreement as the same may have been modified, extended, amended, varied or supplemented or novated from time to time;
- (J) references to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset); and
- (K) the word "**Including**" is without limitation.

1.2.2 Clause and Schedule headings are for ease of reference only.

1.2.3 The words "**other**", "**or otherwise**" and "**whatsoever**" shall not be construed *eiusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.

1.2.4 The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

1.3 Implied Covenants for Title

The obligations of each Company under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.4 Effect as a deed

This Deed is intended to take effect as a deed notwithstanding that the Bank may have executed it under hand only.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

Each Company covenants that it shall on demand pay to the Bank all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it or any other Transaction Obligor to the Bank under or pursuant to the Finance Documents in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Bank or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in

sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) nor the obligation to pay interest pursuant to Clause 2.3 (*Interest*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

2.3 Interest

- 2.3.1 Each Company hereby agrees to pay to the Bank, in respect of any amount demanded from it in accordance with this Deed (to the extent that interest on such amount is not otherwise being paid pursuant to any agreement between each Company and the Bank) interest from first demand by the Bank of each Company:
- (A) at the rate of interest payable or deemed to be payable by each Company in respect of the amount demanded as calculated and compounded in accordance with any agreement between the Bank and each Company with respect to such amount; or
 - (B) failing such agreement, at the rate per annum which is 2% per annum above the interest cost to the Bank (as conclusively determined by the Bank) of funding the amount demanded, such interest being calculated daily on the basis of a 365 day year and compounded at monthly rests.
- 2.3.2 Such interest shall accrue due on a daily basis from the demand by the Bank until actual payment by each Company (both before and after any further demand or judgment or the liquidation of any Company).

3. FIXED SECURITY

3.1 Creation of Fixed Security

Each Company charges to the Bank by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in that Company at the date of this Deed shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of each Company's rights to and title and interest from time to time in any and each of the following:

- 3.1.1 the Real Property;
- 3.1.2 all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- 3.1.3 to the extent that the same are not the subject of a fixed charge under Clause 3.1.4 all Debts;
- 3.1.4 all Account Proceeds;
- 3.1.5 all of its Investments;
- 3.1.6 the Shares;
- 3.1.7 all of its Intellectual Property Rights;
- 3.1.8 all goodwill and uncalled capital;
- 3.1.9 the Undocumented Debt;
- 3.1.10 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the Insurance Policies and the Insurance Proceeds; and
- 3.1.11 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the Assigned Agreements and all Related Property Rights.

3.2 Assignments

Each Company assigns to the Bank with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of that Company's rights to and title and interest from time to time in:

- 3.2.1 the Insurance Policies and the Insurance Proceeds; and
- 3.2.2 the Rental Income and all Related Property Rights; and
- 3.2.3 the Assigned Agreements and all Related Property Rights.

3.3 Preservation of fixed charge

Without prejudice to Clause 3.1.3 (*Creation of Fixed Security*) and Clause 3.2 (*Assignments*), if a Company is entitled to withdraw the proceeds of any book and other debts standing to the credit of an account held by such Company and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1.4 (*Creation of Fixed Security*) and 3.2 (*Assignments*), the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of that Company and the proceeds of those debts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

- 4.1.1 Each Company charges to the Bank by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of that Company's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*).
- 4.1.2 The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 4.1.3 Without prejudice to Clause 4.1.2, the Bank reserves its rights to appoint an administrative receiver on and following the occurrence of an Event of Default in accordance with sections 72B and H (inclusive) of the Insolvency Act 1986.

4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

- 4.2.1 any Company creates or attempts to create any Security over all or any of the Charged Assets without the prior consent of the Bank other than in accordance with the Facility Letter; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or
- 4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of any Company; or
- 4.2.4 an Administrator is appointed or any step intended to result in such appointment is taken,

then the floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in this Deed, the Bank may at any time:

- 4.3.1 following the occurrence of an Event of Default; or
- 4.3.2 if the Bank considers in good faith that any of the Charged Assets are in danger of being seized or sold (except as expressly allowed in the Facility Agreement) as a result of any legal process, are otherwise in jeopardy or the Bank reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding-up of any Company,

by giving notice in writing to that effect to any Company convert the floating charge created by Clause 4.1 (*Creation of Floating Charge*) into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

5. DEBTORS' ACKNOWLEDGMENTS AND UNDERTAKINGS

5.1.1 Each Company, in its capacity as a Debtor:

- (A) acknowledges and consents to the security assignment effected pursuant to Clause 3.2 (*Assignments*);
- (B) confirms that:
 - (1) it has not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of any Company under or in respect of the Subordinated Debt;
 - (2) upon receiving confirmation from the Bank that an Event of Default has occurred and is continuing, the relevant Debtor will pay any amount payable by it under or in connection with the Subordinated Debt to such account as the Bank notifies to that Debtor in writing;
 - (3) each Debtor must accept the Bank's instructions in relation to each Company's rights under or in connection with the Subordinated Debt upon receiving confirmation from the Bank that an Event of Default has occurred and is continuing; and
 - (4) except in the case of an amendment which does not affect any Security created under, or subordination arrangements contemplated by, the Finance Documents, it will not agree to any amendment, waiver or variation of the terms of the Contract without the prior written consent of the Bank.

5.1.2 Each Company irrevocably instructs and authorises each Debtor to:

- (A) disclose to the Bank, without any reference to or further authority from that Company and without any inquiry by that Debtor as to the justification for the disclosure, any information relating to the Subordinated Debt (including the performance of that Debtor's obligations thereunder) which the Bank may request from that Debtor; and
- (B) upon receiving confirmation from the Bank that an Event of Default has occurred and is continuing, pay any sum payable by that Debtor under or in connection with the Subordinated Debt to such account as the Bank may notify to that Debtor in writing.

- 5.1.3 Each Company shall remain liable to perform all of its obligations under or in connection with the Subordinated Debt and the Bank shall not be under any obligation or liability under or in connection with the Subordinated Debt by reason of the security assignment effected pursuant to Clause 3.2 (*Assignments*) or anything arising therefrom.
- 5.1.4 Each Company will also remain entitled to exercise all its rights, powers and discretions under or in connection with the Subordinated Debt and the Debtors shall continue to give notices under or in connection with the Subordinated Debt to that Company, in each case unless and until the Debtors receive notice from the Bank to the contrary stating that the security assignment effected pursuant to Clause 3.2 (*Assignments*) has become enforceable following the occurrence of an Event of Default that is continuing. In this event, all the rights, powers and discretions under or in connection with the Subordinated Debt will be exercisable by, and notices should be given to, the Bank or as it directs.
- 5.1.5 The acknowledgments and undertakings in this Clause 5 (*Debtors acknowledgments and undertakings*) shall remain in effect and may not be revoked or amended with the prior written consent of the Bank.

6. FURTHER ASSURANCE

- 6.1 Each Company must promptly upon request by the Bank execute (in such form as the Bank may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Bank or its nominees and do all such assurances and things as the Bank may reasonably require for:
 - 6.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;
 - 6.1.2 conferring upon the Bank such security as it may require over the assets of a Company outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;
 - 6.1.3 facilitating, at any time on or after the occurrence of an Event of Default, the realisation of all or any part of the assets of a Company; and
 - 6.1.4 exercising all powers, authorities and discretions conferred on the Bank or any Receiver pursuant to this Deed or by law.
- 6.2 Each Company shall, at any time, promptly upon request, execute over all or any of the Charged Assets, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Bank in such form as the Bank shall require.
- 6.3 If requested by the Bank acting reasonably, each Company shall take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Deed including the obtaining of any necessary consent (in form and content satisfactory to the Bank) to enable its assets to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned shall become subject to the security created by this Deed. Each Company shall promptly deliver a copy of each such consent to the Bank.

7. GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS

- 7.1 Each Company undertake to the Bank with respect to the Charged Assets that:
 - 7.1.1 **Negative Pledge**
it shall not, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them;

7.1.2 Disposals

it shall not dispose of the Charged Assets or any part of them or agree so to do and for these purposes the term "disposal" shall include any form of disposal of any interest in any asset including any conveyance, transfer, lease, assignment, sale, right to use or occupy, surrender, declaration of trust or the creation of any other form of legal or equitable interest in or over any asset or any option in respect of any of the foregoing;

7.1.3 Compliance with Laws

it shall at all times comply with all laws and regulations applicable to it and will obtain and maintain in full force and effect all consents, licences, approvals or authorisations of, exemptions by or registrations or declarations with, any governmental or other authority which may at any time be required with respect to any of the Charged Assets;

7.1.4 Subsequent Charges

subject to Clause 7.1.1 (*Negative Pledge*), it shall procure that any Security created by each Company after the date of this Deed (otherwise than in favour of the Bank) shall be expressed to be subject to this Deed;

7.1.5 Deposit of Title Documents

it shall deposit with the Bank or its nominee the deeds and documents of title relating to the Charged Assets provided that:

- (A) in the case of deeds or documents of title relating to Real Property, it shall ensure that such deed and documents of title are held either by the Bank or to the order of the Bank by a firm of solicitors approved by the Bank for that purpose; and
- (B) it shall not be required to deposit any stock or share certificates relating to the Investments or the Shares to the extent that the relevant documents have been deposited with a clearance system, settlement system or custodian acceptable to the lender.

7.1.6 Repair and Condition

it shall keep the Charged Assets in a good and substantial state of repair and condition to the satisfaction of the Bank.

7.2 Notices of Charge and/or Assignment

- 7.2.1 Each Company shall forthwith give notice to any bank or financial institution where any account of such Company is held in the form set out in Part A of Schedule 3 (*Notices*) and procure that each such bank or financial institution acknowledges such notice to the Bank in the form set out in Part B of Schedule 3 (*Notices*).
- 7.2.2 Each Company shall forthwith give notice to each tenant of the Real Property in the form set out in Part C of Schedule 3 (*Notices*) and use reasonable endeavours to procure that each such tenant acknowledges such notice to the Bank in the form set out in Part D of Schedule 3 (*Notices*).
- 7.2.3 Each Company shall forthwith give notice to any insurer of the Real Property in the form set out in Part E of Schedule 3 (*Notices*) and use all reasonable endeavours to procure that each such insurer acknowledges such notice to the Bank in the form set out in Part F of Schedule 3 (*Notices*).
- 7.2.4 Each Company shall deliver to the Bank and serve on any debtor or other person as required by the Bank:

- (A) notices of assignment in respect of any of the assets assigned pursuant to this Deed (including any of the contracts referred to in Clause 3.2 (*Assignments*)) and procure that each notice is acknowledged by any debtor specified by the Bank; and
- (B) notices of charge in respect of any of the assets charged pursuant to this Deed and procure that each notice is acknowledged by any debtor specified by the Bank.

7.2.5 The notices of charge and/or assignment and/or acknowledgement referred to in Clause 7.2.4 shall be in a form substantially similar to that contained in Schedule 3 (*Notices*) or such other form as the Bank may require.

7.3 Intellectual Property Rights

Each Company shall, if requested by the Bank, execute all such documents and do all such acts as the Bank may reasonably require to record the interests of the Bank in any registers relating to registered Intellectual Property Rights.

8. REAL PROPERTY UNDERTAKINGS

8.1 Positive Undertakings

In relation to Real Property, each Company agrees that it shall:

- 8.1.1 comply with all obligations imposed under any present or future statute, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or planning permissions or other approvals, licences or consents relating to the same or its use or enjoyment save to the extent any non-compliance is immaterial;
- 8.1.2 comply or procure compliance with all covenants (including the obligation to pay rent in respect of leasehold property), stipulations and conditions relating to the same or its use or enjoyment and not do any act or thing whereby any lease or other document which gives any right to occupy the Real Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its originally stated term (as extended from time to time) save to the extent any non-compliance is immaterial;
- 8.1.3 duly and punctually pay or procure payment of all rates, outgoings and other similar sums payable on or in respect of the same; and
- 8.1.4 permit representatives of the Bank and its advisers on prior appointment to make inspections of the Real Property as the Bank may require, subject to the terms of any relevant Occupational Lease.

8.2 Negative Undertakings

In relation to Real Property, each Company agrees that, unless it has the prior written consent of the Bank (or the same is otherwise expressly permitted in accordance with the Facility Letter), it shall not:

- 8.2.1 exercise the statutory power of leasing and/or accepting surrenders of leases conferred on mortgagors and further agrees that the Bank may grant or accept surrenders of leases without restriction;
- 8.2.2 part with the possession of the same or any part thereof (including any fixtures forming part of the Real Property) nor confer upon any person, any licence, right or interest to occupy the Real Property or any part of it or to grant any licence or permission to assign or underlet or to suffer or permit any variation or addition to any Occupational Lease nor waive or release any term of any such Occupational Lease;
- 8.2.3 carry out or permit to be carried out any structural alterations to or to demolish, pull down or remove any building or erection from time to time forming part of the

same or make or suffer to be made any change in the state, nature or use of the same;

- 8.2.4 (save for any development permitted under the Town and Country Planning (General Permitted Development) Order 1995) carry out any development (as defined in the Planning Acts) on or of the Real Property;
- 8.2.5 save as provided for in the Facility Letter make any application for planning permission or implement any planning permission obtained under any of the Planning Acts save as provided for in the Facility Letter;
- 8.2.6 agree to any rent review in respect of any Occupational Lease;
- 8.2.7 commence any forfeiture proceedings in respect of any Occupational Lease;
- 8.2.8 exercise any option or right of election available at law that the supplies made in respect of any lease or tenancy of the same shall be taxable for VAT purposes at the standard or any other applicable rate (other than zero), including pursuant to paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 or (where applicable) carry out or permit to be carried out any action which will or may cause any option or right of election that the supplies made in respect of any lease or tenancy of the same shall be taxable for VAT purposes at the standard or any other applicable rate which has already been exercised, to be dis-applied;
- 8.2.9 enter into any negotiations with any competent authority with regard to the compulsory acquisition of the same or consent to the compulsory acquisition of the same; or
- 8.2.10 convert any freehold estate of any Real Property to a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002.

8.3 Registration and Notifications

Each Company shall:

- 8.3.1 without prejudice to paragraph (j) of Schedule C1 to the Facility Letter, immediately notify the Bank of any contract, conveyance, transfer or other disposition for the acquisition by any Company of the legal or beneficial interest in any Real Property; and
- 8.3.2 make an application to the Chief Land Registrar on Form RX1 for the registration against the registered titles (if any) specified in Part A of Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the following restriction:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Butterfield Bank (Guernsey) Limited referred to in the charges register or their conveyancer".

8.4 Remedy

If any Company fails to comply with any undertaking or obligation contained in this Clause 8, the Bank shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The Companies shall reimburse to the Bank on demand all amounts expended by the Bank in remedying such failure together with interest in accordance with Clause 2.3 (*Interest*) from the date of payment by the Bank until reimbursed.

9. ENVIRONMENTAL UNDERTAKINGS

9.1 Undertakings

Each Company agrees in relation to the Charged Assets that it shall:

- 9.1.1 obtain, maintain and comply with all necessary Environmental Licences and comply with all Environmental Law;
- 9.1.2 ensure that all occupiers of the Real Property carry on their activities in a prudent manner and keep them secure so as not to cause or knowingly permit harm or damage to the Environment or the risk thereof;
- 9.1.3 notify the Bank forthwith in writing of any Release;
- 9.1.4 forthwith take all steps necessary to remedy any infringement of Environmental Law;
- 9.1.5 promptly notify the Bank in writing of the receipt of any notice or other communication in respect of any breach or alleged breach of Environmental Law arising out of the ownership or occupation of the same or any investigation, enquiry, proceedings, arbitration, order, decree or judgment commenced or made in relation to any Environmental Law; and
- 9.1.6 provide the Bank with such information regarding any investigation, litigation, arbitration or administrative proceedings as the Bank may require and consult with the Bank on a regular basis as to the conduct of any investigation, litigation, arbitration or administrative proceedings in relation to a breach of any Environmental Law and obtain the prior written consent of the Bank to any settlement thereof.

9.2 Indemnity

Each Company agrees that it shall immediately on demand indemnify and reimburse the Bank in respect of any and all Environmental Losses that are paid, incurred, suffered or sustained by Bank which would not have arisen if this Deed or the Facility Letter had not been entered into.

9.3 Remedy

If any Company fails to comply with any undertaking or obligation contained in this Clause 9, the Bank shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The Companies shall reimburse to the Bank on demand all amounts expended by the Bank in remedying such failure together with interest in accordance with Clause 2.3 (*Interest*) from the date of payment by the Bank until reimbursed.

10. INSURANCE UNDERTAKINGS

10.1 Insurance Obligations

Each Company shall at all times during the Security Period:

- 10.1.1 keep all of the Charged Assets of an insurable nature, or procure that the Charged Assets of an insurable nature are kept, insured at its own expense to the full replacement or reinstatement value thereof from time to time (including where applicable the cost of demolition and site clearance, architects", surveyors and other professional fees and incidental expenses in connection with replacement or reinstatement) with insurers previously approved by the Bank in writing against loss or damage (including loss of rent and profits for a period of at least three years unless otherwise agreed by the Bank by fire, storm, lightening, explosion, terrorism, riot, civil commotion, malicious damage, impact, flood, burst pipes, aircraft and other aerial devices or articles dropped therefrom (other than war risk), third party and public liability and liability under the Defective Premises

Act 1972 and such other risks and contingencies as the Bank shall from time to time request.

10.1.2 without prejudice to Clause 10.1.1 maintain any other insurance policies as are normally maintained by prudent companies carrying on business similar to that of the Companies;

10.1.3 cause each Insurance Policy relating to the Charged Assets to be for an amount and in a form acceptable to the Bank, to be with an insurance company or underwriters acceptable to the Bank and to contain in a form and substance acceptable to the Bank;

- (A) an endorsement noting the interests of the Bank in respect of all claims and providing for the Bank to be composite insured in respect of its own separate insurable interest and as first loss payee (other than public liability and third party insurance liability insurances) but without any liability on the part of the Bank for any duty of disclosure or for any premium in relation to those insurances (other than in the case of the Bank for non-disclosure, it has become a mortgagee in possession) until such time as the Bank notifies the relevant insurer to the contrary;
- (B) a standard mortgagee clause whereby such insurance shall not be vitiated or avoided as against the Bank in the event or as a result of any misrepresentation, act or neglect or failure to make disclosure on the part of any insured party or any circumstances beyond the control of an insured party; and
- (C) terms providing that it shall not be invalidated so far as the Bank is concerned for failure to pay any premium due without the insurer first giving to the Bank not less than 30 days prior written notice and the opportunity to rectify any such non-payment of premium within the notice period;
- (D) each Company must be free to assign all amounts payable to it under each of its insurances and all its rights in connection with those in favour of the Bank;

10.1.4 duly and promptly pay the premiums and other monies necessary for effecting and keeping up such insurances and promptly provide to the Bank evidence of such payment and comply in all respects with the terms and conditions of the Insurance Policies;

10.1.5 procure that there be given to the Bank such information in connection with the Insurance Policies as the Bank may reasonably require and will notify the Bank of renewals made and material variations or cancellations of such policies made or, to the knowledge of the Companies, threatened or pending; and

10.1.6 not permit anything to be done which may make void or voidable any of the Insurance Policies.

10.2 Failure

If any Company fails to comply with its obligations under Clause 10.1 (*Insurance Obligations*) then the Bank shall be entitled to insure the Charged Assets, at the expense of the Companies, on such terms, against such risks and in such amounts as the Bank sees fit and the amount of any expenditure incurred by the Bank in so doing shall be added to the Secured Liabilities. The Companies shall reimburse to the Bank on demand all amounts expended by it in remedying such failure together with interest in accordance with Clause 2.3 (*Interest*) from the date of payment by the Bank until reimbursed.

10.3 Application of Insurance Proceeds

Subject to any prior rights which any third party may have in respect of Insurance Proceeds, if required by the Bank, the Companies shall apply all Insurance Proceeds to

making good the loss or damage or towards discharge of the Secured Liabilities and the each Company waives any rights which it may have to require that any such monies are applied in reinstatement of any part of the Charged Assets.

11. UNDERTAKINGS AS TO INVESTMENTS AND SHARES

11.1 Deposit of Title Documents

Each Company shall deposit with the Bank or its nominee:

- 11.1.1 stock transfer forms or other instruments of transfer relating to the Investments and the Shares duly completed to the Bank's satisfaction; and
- 11.1.2 such other documents as the Bank may require from time to time for the purpose of perfecting its title to the Investments or the Shares for the purpose of vesting the same in itself, its nominee or any purchaser or presenting the same for registration at any time.

11.2 Registration of transfers

If required by the Bank, each Company shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Bank or its nominee once a transfer relating to those Investments and Shares is presented for that purpose.

11.3 Clearance Systems etc

Each Company shall, when requested by the Bank, instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for the account of that Company to the account of the Bank (or its nominee) with such clearance system (or as otherwise required by the Bank).

11.4 Calls

Each Company:

- 11.4.1 shall not, without the consent in writing of the Bank, acquire any Investments or Shares unless they are fully paid;
- 11.4.2 shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments or Shares and, for the avoidance of doubt, the Bank shall not incur any liability in respect of any amounts due from any Company in respect of any Investments or Shares.

11.5 Dividends

The Bank (or its nominee) shall hold all dividends or other monies received by it in respect of the Investments and the Shares for the account of each Company and, prior to the occurrence of an Event of Default which is continuing and has not been waived by the Bank, shall pay the same to an account of that Company as soon as practicable following receipt of a written request to do so.

11.6 Voting Rights and Other Matters

- 11.6.1 Prior to the occurrence of an Event of Default and save as otherwise provided in this Clause 11.6, each Company shall exercise (or direct the Bank to exercise on its behalf) all voting rights in respect of the Investments and the Shares provided that each Company shall not exercise (or direct the exercise of) any voting rights in any manner which, in the reasonable opinion of the Bank, may prejudice the value of, or the ability of the Bank to realise, the security over the Investments and the Shares pursuant to this Deed.
- 11.6.2 Each Company shall not, without the prior written consent of the Bank, permit or agree to any variation of the rights attaching to or conferred by any of the Investments or the Shares, participate in any rights issue, elect to receive or vote in favour of receiving any dividends or other distributions other than in the form of

cash or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895 – 901 of the Companies Act 2006.

- 11.6.3 At any time on or after the occurrence of an Event of Default, the Bank may in such manner and on such terms as it sees fit (in the name of the relevant Company or otherwise and without the need for further consent from any Company):
- (A) exercise (or refrain from exercising) any voting rights in respect of the Investments and the Shares (or, as the case may be, require each Company to exercise (or refrain from exercising) any such Voting Rights in accordance with the directions of the Bank (in which extent, each Company shall comply with all such directions of the Bank); and/or
 - (B) apply all dividends and other monies arising from the Investments and the Shares in accordance with Clause 21 (*Application of Monies Received under this Deed*); and/or
 - (C) without prejudice to any other provision of this Deed, transfer the Investments and the Shares into the name of a nominee or transferee of the Bank as the Bank may require; and/or
 - (D) exercise (or refrain from exercising) all or any of the powers and rights conferred upon or exercisable by the legal or beneficial owner of the Investments and the Shares.

11.6.4 The Bank may, in its absolute discretion and without any consent or authority from the Companies, at any time, by notice to the Companies (which notice shall be irrevocable), elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Shares and/or the Investments conferred or to be conferred on the Bank pursuant to Clause 11.6.3.

11.6.5 Once a notice has been issued by the Bank under Clause 11.6.4, on and from the date of such notice the Bank shall cease to have the right to exercise (or refrain from exercising) voting rights and powers conferred or to be conferred on it pursuant to Clause 11.6.3 or any other provision of this Deed in respect of the Shares and/or the Investments specified in that notice and all such rights will be exercisable by each Company. Each Company shall be entitled on and from the date of such notice, to exercise all voting rights and powers in relation to the Investments specified in that notice subject only to the proviso contained in Clause 11.6.1 and to Clause 11.6.2.

11.7 Liability of Bank

Each Company agrees with the Bank that neither the Bank nor any nominee will have any liability for:

- 11.7.1 failing to present any coupon or other document relating to any of the Investments or the Shares;
- 11.7.2 accepting or failing to accept any offer relating to any of the Investments or the Shares;
- 11.7.3 failing to attend or vote at any meetings relating to any of the Investments;
- 11.7.4 failing to notify a Company of any matters referred to in this Clause 11.7 or of any communication received in relation to any of the Investments or the Shares; or
- 11.7.5 any loss arising out of or in connection with the exercise or non-exercise of any rights or powers attaching or accruing to the Investments or the Shares or which may be exercised by the Bank or any nominee of the Bank under this Deed (whether or not on sale or other realisation of the Investments or the Shares a better price could have or might have been obtained by either deferring or advancing the date of sale or realisation or otherwise).

11.8 Nominees

Each Company represents and warrants that it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.

11.9 Register of members

Each Company shall procure that, during the Security Period, no company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

12. UNDERTAKINGS AS TO CHARGE OVER BOOK AND OTHER DEBTS

12.1 Value of Debts

Each Company undertakes to provide to the Bank promptly upon its request (and in a form acceptable to the Bank acting reasonably) a certificate showing the aggregate value of the Debts due to that Company from any source.

12.2 Realisation of Debts

During the Security Period, each Company undertakes with reference to the Debts:

- 12.2.1 to collect the Debts in the ordinary course of its business and (prior to the payment into the account specified in Clause 12.2.3) to hold the proceeds of those Debts on trust for the Bank;
- 12.2.2 not, without the prior consent in writing of the Bank, to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so; and
- 12.2.3 to pay into an account as the Bank may direct all monies which that Company may receive in respect of the Debts.

12.3 Debts: Position after an Event of Default

After the occurrence of an Event of Default each Company shall not, except with the consent of the Bank, withdraw or otherwise transfer the proceeds of realisation of any Debts standing to the credit of any account.

13. UNDERTAKINGS AS TO ACCOUNT PROCEEDS

13.1 Account Proceeds: Position before an Event of Default

Before the occurrence of an Event of Default each Company shall be entitled to withdraw any credit amount referred to in the definition of Account Proceeds from any relevant account.

13.2 Account Proceeds: Position after an Event of Default

After the occurrence of an Event of Default each Company shall not be entitled to be paid, withdraw or otherwise transfer any credit amount referred to in Clause 13.1 (*Account Proceeds: Position before an Event of Default*) except with the prior written consent of the Bank.

14. UNDERTAKINGS AS TO INTELLECTUAL PROPERTY RIGHTS

Each Company shall:

- 14.1.1 take all necessary action to safeguard and maintain its rights, present and future, in or relating to Intellectual Property Rights (including the payment of all renewal fees and all steps which are necessary or desirable to maintain any applicable registrations with any appropriate registry or other government authority or body);

- 14.1.2 keep the Bank fully informed as to the registration or requirement to renew the registration of any Intellectual Property Rights;
- 14.1.3 not use or refrain from using its Intellectual Property Rights in a way which may adversely affect the value of those Intellectual Property Rights; and
- 14.1.4 notify the Bank promptly of any infringement or suspected infringement or any challenge to the validity of its Intellectual Property Rights and take all steps necessary to prevent or bring an end to any such infringement and to defend any such challenge.

15. RIGHTS OF THE BANK

15.1 Enforcement

At any time on or after the occurrence of an Event of Default, the security created pursuant to this Deed shall be immediately enforceable and the Bank may in its absolute discretion and without notice to any Company or the prior authorisation of any court:

- 15.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and
- 15.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
 - (A) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
 - (B) granted to a Receiver by this Deed or from time to time by law.

15.2 Restrictions on Consolidation of Mortgages

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Bank shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Bank at any time on or after the occurrence of an Event of Default. Each Company hereby consents to the Bank making an application to the Chief Land Registrar on Form CC for registration against the registered titles (if any) specified in Part A of Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the right to consolidate.

15.3 Restrictions on Exercise of Power of Sale

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Bank at any time on or after the occurrence of an Event of Default.

15.4 Leasing Powers

The restrictions contained in sections 99 to 100 of the LPA shall not apply to restrict the rights of the Bank or any Receiver under this Deed. The statutory powers of leasing may be exercised by the Bank upon and following the occurrence of an Event of Default and the Bank and any Receiver may make any lease or agreement for lease and/or accept any surrenders of leases and/or grant options on such terms as it sees fit without the need to comply with the aforementioned restrictions.

15.5 No Prior Notice Needed

The powers of the Bank set out in Clauses 15.2 (*Restrictions on Consolidation of Mortgages*) to 15.4 (*Leasing Powers*) may be exercised by the Bank without prior notice to any Company.

15.6 Right of Appropriation

Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed and the obligations of any of the Companies hereunder 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 2003/3226) (the "**Regulations**")), the Bank shall have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any such Charged Assets so appropriated shall be the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Bank by reference to such method or source of valuation as the Bank may select, including by independent valuation. The parties agree that the methods or sources of valuation provided for in this Clause or selected by the Bank in accordance with this Clause shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

The Bank shall notify the Companies as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

16. EXONERATION

16.1 Exoneration

The Bank shall not, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Bank under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Bank shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

16.2 Indemnity

The Bank and every Receiver, attorney, delegate, manager, agent or other person appointed by the Bank hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Bank and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

17. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

17.1 Appointment

17.1.1 At any time on or after the occurrence of an Event of Default, or at the request of a Company or its directors, the Bank may, without prior notice to the Companies, in writing (under seal, by deed or otherwise under hand) appoint:

- (A) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead; or
 - (B) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 17.1.2 Nothing in Clause 17.1.1 shall restrict the exercise by the Bank of any one or more of the rights of the Bank under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- 17.2 **More than one Receiver**
Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Bank may specify to the contrary in the appointment.
- 17.3 **Receiver as agent**
A Receiver shall be the agent of each Company which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of the Bank.
- 17.4 **Receiver's Remuneration**
A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Bank from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).
- 17.5 **Actions of the Administrator**
Save as provided for in statute or as otherwise agreed in writing by the Bank, the Bank shall have no liability for the acts or omissions of an Administrator.
- 18. **RECEIVER'S POWERS**
- 18.1 **Powers**
A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):
 - 18.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
 - 18.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
 - 18.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any Company itself could do or omit to do;
 - 18.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any Company; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of any Company (whether under hand, or by way of deed or by utilisation of the company seal of any Company)).
- 18.2 **Powers may be Restricted**
The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Bank) appointing him but they shall not be restricted by any winding-up or dissolution of any Company.

19. PROTECTION OF PURCHASERS

19.1 Absence of Enquiry

No person or persons dealing with the Bank or any Receiver appointed by it shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Bank or any such Receiver.

19.2 Receipt: Conclusive Discharge

The receipt of the Bank or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

20. POWER OF ATTORNEY AND DELEGATION

20.1 Power of Attorney: General

Each Company hereby irrevocably and by way of security appoints the Bank and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

- 20.1.1 to execute and deliver any documents or instruments which the Bank or such Receiver may require for perfecting the title of the Bank to the Charged Assets or for vesting the same in the Bank, its nominee or any purchaser;
- 20.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which any Company is required to enter into pursuant to this Deed;
- 20.1.3 otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Bank or any Receiver under this Deed or which any Company is required to do pursuant to this Deed or which may be deemed expedient by the Bank or a Receiver in connection with any preservation, disposition, realisation or getting in by the Bank or such Receiver of the Charged Assets or in connection with any other exercise of any other power under this Deed.

20.2 Power of Attorney: Ratification

Each Company ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 20 (*Power of Attorney and Delegation*) does or purports to do in the proper exercise of the powers granted by this Clause.

20.3 General Delegation

The Bank and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

21. APPLICATION OF MONIES RECEIVED UNDER THIS DEED

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A Insolvency Act 1986, be applied for the following purposes and in the following order of priority:

- 21.1.1 in satisfaction of all costs, charges and expenses and payments (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Bank or the Receiver and of remuneration to the Receiver in such order as the Bank shall in its absolute discretion decide;
- 21.1.2 in or towards satisfaction of the Secured Liabilities which, shall be applied in such order as the Bank shall in its absolute discretion decide; and
- 21.1.3 the surplus, if any, shall be paid to the relevant Company or other person or persons entitled to it,

save that the Bank may credit any monies received under this Deed to a suspense account for so long and in such manner as the Bank may from time to time reasonably determine and the Bank may retain the same for such period as it considers appropriate.

22. RELEASE OF SECURITY

22.1 Release

At the end of the Security Period, the Bank shall, at the request and cost of the Companies, execute or procure the execution by its nominee (in each case in a form acceptable to the Bank) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

22.2 Avoidance of Payments

- 22.2.1 No amount paid, repaid or credited to the Bank shall be deemed to have been irrevocably paid if the Bank considers that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.
- 22.2.2 If any amount paid, repaid or credited to the Bank is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between the Bank and the Companies shall be deemed not to have occurred and the Bank shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

23. AMOUNTS PAYABLE

23.1 No Deduction

All payments to be made by each Company under this Deed shall be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future. If any Company is compelled by the law of any applicable jurisdiction (or by an order of any regulatory authority in such jurisdiction) to withhold or deduct any sums in respect of taxes, duties, levies, imposts or charges from any amount payable to the Bank under this Deed or, if any such withholding or deduction is made in respect of any recovery under this Deed, the Company shall pay such additional amount so as to ensure that the net amount received by the Bank shall equal the full amount due to it under the provisions of this Deed had no such withholding or deduction been made.

23.2 Currency of Payment

The obligations of each Company under this Deed to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by the Bank of the full amount of the currency expressed to be payable under this Deed.

23.3 Currency Indemnity

- 23.3.1 If any sum due from each Company under this Deed (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "First Currency") in which that Sum is payable into another currency (the "Second Currency") for the purpose of:
- (A) making or filing a claim or proof against each Company;
 - (B) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
 - (C) applying the Sum in satisfaction of any of the Secured Liabilities,
- each Company shall, as an independent obligation, within three Business Days of demand, indemnify the Bank against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange as conclusively determined by the Bank.
- 23.3.2 Each Company waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency unit other than that in which it is payable.

24. POWER OF SEVERANCE

In the exercise of the powers conferred by this Deed, the Bank or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Bank or any Receiver may apportion any rent or other amount without the consent of each Company.

25. REPRESENTATIONS AND WARRANTIES

25.1 Representations

Each Company represents and warrants in favour of the Bank:

25.1.1 Status of Assets and Security

It is the legal and beneficial owner of the Charged Assets free from Security (other than this Deed) and this Deed confers the security it purports to confer over the Charged Assets and the security created under or pursuant to this Deed is not subject to any prior or pari passu Security and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

25.1.2 Title to Assets

Propco is the legal and beneficial owner of the Real Property with the right to transfer with full title guarantee all or any part of the Real Property and have good marketable title to all assets over which Security is, or is expressed to be created pursuant to this Deed.

25.1.3 Real Property

Save as disclosed in any report on title which has been delivered to the Bank in a form acceptable to it:

- (A) there subsists no breach of any law or regulation which adversely affects or might adversely affect the value of the Real Property;
- (B) there are no covenants, restrictions, agreements, stipulations, reservations, conditions, interests, rights or other matters whatsoever which adversely affect the Real Property;

- (C) nothing has arisen or has been created or is subsisting which would be an overriding interest over the Real Property;
- (D) no facility necessary for the enjoyment and use of the Real Property is enjoyed on terms entitling any person to terminate or curtail its use;
- (E) the Companies have received no notice of any adverse claim by any person in respect of the ownership of the Real Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Real Property; and
- (F) the Real Property is free from any Security or any tenancies or licence save as permitted by this Deed or as otherwise permitted in writing by the Bank.

25.1.4 Insurance

To the best of its knowledge and belief having made all reasonable enquiries, it has disclosed to the insurers of the Real Property all facts, circumstances and occurrences relevant to the risks insured under the Insurance Policies.

25.1.5 Commonhold

The Real Property is not:

- (A) registered; or
- (B) subject to any pending application for registration,

as a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002.

25.1.6 Environmental matters

- (A) It is and has been in full compliance with all applicable Environmental Laws and there are, to the best of its knowledge and belief after all due enquiry, no circumstances that may prevent or interfere with such full compliance in the future and, other than in the ordinary course of its activities, it has not placed or allowed to be placed on any part of the Real Property any Dangerous Substance and where such Dangerous Substance has been so placed, it is kept, stored, handled, treated and transported safely and prudently so as not to pose a risk of harm to the Environment.
- (B) It is and has been, in compliance with the terms of all Environmental Licences necessary for the ownership and operation of its activities as presently owned and operated and as presently proposed to be owned and operated.
- (C) It is not aware, having made all reasonable enquiries, of any Environmental Claim in respect of the Real Property.
- (D) To the best of its knowledge and belief after all due enquiry, there is no Dangerous Substance present in or on the soil or water (including underground water) on the Real Property which would prevent or impede the lawful use and occupation thereof for the purposes of which it is currently intended or which poses a risk of harm to the Environment or public health or welfare or property.
- (E) So far as it is aware, having made all reasonable enquiries, the past and present occupiers of the Real Property have been and are in full compliance with all applicable Environmental Laws and the terms and conditions of all Environmental Licences necessary for their activities and operations now and as proposed and it is not aware, having made all

reasonable enquiries, of any circumstances which might prevent or interfere with such compliance in the future.

25.1.7 Transfer, registration and calls

- (A) The Shares which are subject to the Security purported to be created under this Deed are free from any restrictions as to transfer or registration and are not subject to any calls or other liability to pay money.
- (B) No company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

25.1.8 Stamp taxes and registration

No stamp or registration duty or similar Tax or charge is payable in its jurisdiction of incorporation in respect of this Deed and it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in any jurisdiction.

25.1.9 Governing law

- (A) The Finance Documents and any dispute or claim arising out of or in connection with any of them or the subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.
- (B) Any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

25.1.10 No immunity

The execution by it of this Deed constitutes, and the exercise by it of its rights and performance of its obligations under this Deed will constitute, private and commercial acts performed for private and commercial purposes and it will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Deed.

25.1.11 Jurisdiction

Its:

- (A) irrevocable submission under this Deed to the jurisdiction of the courts of England;
- (B) agreement that this Deed is governed by English law; and
- (C) agreement not to claim any immunity to which it or its assets may be entitled,

are legal, valid and binding under the laws of its jurisdiction of incorporation and any judgment obtained in England will be recognised and be enforceable by the courts of its jurisdiction of incorporation.

25.2 Times for Making Representations and Warranties

The representations and warranties set out in this Clause are made on the date of this Deed and are deemed to be repeated each day prior to the expiry of the Security Period by reference to the facts and circumstances then existing.

26. NEW ACCOUNTS

If the Bank receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of such notice being the "Notice Date") it may, without prejudice to its rights under this Deed, open a fresh account or accounts with each Company and continue any existing account in the name of any Company and may

appropriate to any such fresh account any monies paid in, received or realised for the credit of any Company after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If the Bank fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

27. MISCELLANEOUS

27.1 The Companies

This Deed is binding on the successors and assigns of each Company.

27.2 Assignment and Transfer

No Company may assign any of its rights or transfer any of its rights or obligations under this Deed. The Bank may assign and transfer all or any part of its rights and obligations under this Deed in accordance with the Finance Documents to which it is a party.

27.3 Property

This Deed is and will remain the property of the Bank.

27.4 Continuing Security

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

27.5 Additional Security

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by the Bank for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to the Bank of or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

27.6 Variation of Security

This Deed shall not in any way be affected or prejudiced by the Bank at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 27.5 (*Additional Security*) or any rights which the Bank may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

27.7 Enforcement of Other Security

The Bank shall not be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

27.8 Redemption of Prior Incumbrances

The Bank may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Companies. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Companies to the Bank and until such payment shall form part of the Secured Liabilities.

27.9 Stamp Taxes

Each Company covenants to pay to the Bank and any Receiver, attorney, manager, agent or other person appointed by the Bank under this Deed immediately on demand a sum equal to any liability which the Bank, that Receiver, attorney, manager, agent or other person appointed by the Bank under this Deed incurs in respect of stamp duty, registration fees and other taxes which is or becomes payable in connection with the entry into,

performance or enforcement of this Deed (including any interest, penalties, liabilities, costs and expenses resulting from any failure to pay or delay in paying any such duty, fee or tax).

27.10 Costs and Expenses

Each Company shall promptly on demand reimburse the Bank or any Receiver, attorney, manager, agent or other person appointed by the Bank under this Deed for all costs and expenses (including legal fees) incurred by the Bank, that Receiver, attorney, manager, agent or other person (on a full indemnity basis together with any applicable VAT) in connection with the negotiation, preparation, printing and execution of this Deed and the completion of the transactions contemplated by this Deed (the costs and expenses relating to such matters shall be reasonably incurred) and in the perfection of the security contemplated by this Deed and the exercise, preservation and/or enforcement or attempted enforcement of the security created by or contemplated by this Deed.

27.11 Obligations Joint and Several

The obligations of the Companies under this Deed are joint and several.

27.12 Further advances

27.12.1 The Bank must perform its obligations under the Facility Letter (including any obligation to make available further advances).

27.12.2 Each Company hereby consents to the Bank making an application to the Chief Land Registrar on Form CH2 for the registration against the registered titles (if any) specified in Part A of Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the obligation to make further advances.

27.13 Non-competition on enforcement

Unless the Bank otherwise directs, no Company will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or enforcement of the Security created by this Deed:

27.13.1 to be indemnified by any other Transaction Obligor (including any rights it may have by way of subrogation);

27.13.2 to claim any contribution from any guarantor of any other Transaction Obligor of the obligations under the Finance Documents;

27.13.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Bank under any Finance Document or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents;

27.13.4 to claim, rank, prove or vote as a creditor of any other Transaction Obligor or its estate in competition with the Bank; and/or

27.13.5 receive, claim or have the benefit of any payment, distribution or security from or on account of any other Transaction Obligor, or exercise any right of set-off against any other Transaction Obligor.

28. CALCULATIONS AND CERTIFICATES

28.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Bank in connection with this Deed are prima facie evidence of the matters to which they relate.

28.2 Certificates and Determinations

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

28.3 Day Count Convention

Any interest accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

29. NOTICES

A notice, consent or other communication given by a party under this Deed:

29.1 must be in writing and in English;

29.2 must be signed by a duly authorised officer of the sender; and

29.3 must be addressed to the intended recipient and left at, or sent by prepaid ordinary post or courier to, or sent by facsimile to:

29.3.1 in the case of the Bank:

Address: P.O. Box 25, Regency Court, Glatigny Esplanade, St Peter Port,
Guernsey GY1 3AP

Attention: Emma J Gallienne

Facsimile: +44(0) 1481 726323

Email: Emma.Gallienne@butterfieldgroup.com

29.3.2 in the case of the Companies:

Address: Twickenham Stoop Stadium,
Langhorn Drive,
Twickenham, Middlesex,
TW2 7SX

Attention: Sarah Roberts, Operations Director

Facsimile: 0208 410 6001

Email: sarah.roberts@quins.co.uk

With a copy to:

Address: ICM Investment Research Limited,
Ridge Court, The Ridge,
Epsom KT18 7EP

Attention: Sandra Pope

Facsimile: 01372 271495

Email: sandra.pope@icm.limited;

29.4 will take effect from the time it is received by the intended recipient; and

29.5 will be taken to have been received:

29.5.1 if it was posted, on the third business day after posting for domestic mail and the seventh business day after posting for international mail;

29.5.2 if it was sent by facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that it was transmitted in its entirety to the facsimile number of the recipient,

but if delivery or receipt is on a day which is not a business day in the place of delivery or receipt is after 4:00pm (addressee's time), it is taken to have been received at the commencement of business on the next day which is a business day in that place.

30. COUNTERPARTS

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

31. LAW

This Deed and any dispute or claim arising out of or in connection with this Deed or the subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

32. ENFORCEMENT

32.1 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").

32.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Deed will argue to the contrary.

32.3 Notwithstanding Clause 32.1 above, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Deed has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

THE COMPANIES

Name	Country of incorporation/formation	Registered number
HARLEQUIN FC HOLDINGS LIMITED	England and Wales	08822147
HARLEQUIN ESTATES (TWICKENHAM) LIMITED	England and Wales	01002965
HARLEQUIN COMMUNITY LIMITED	England and Wales	10984815

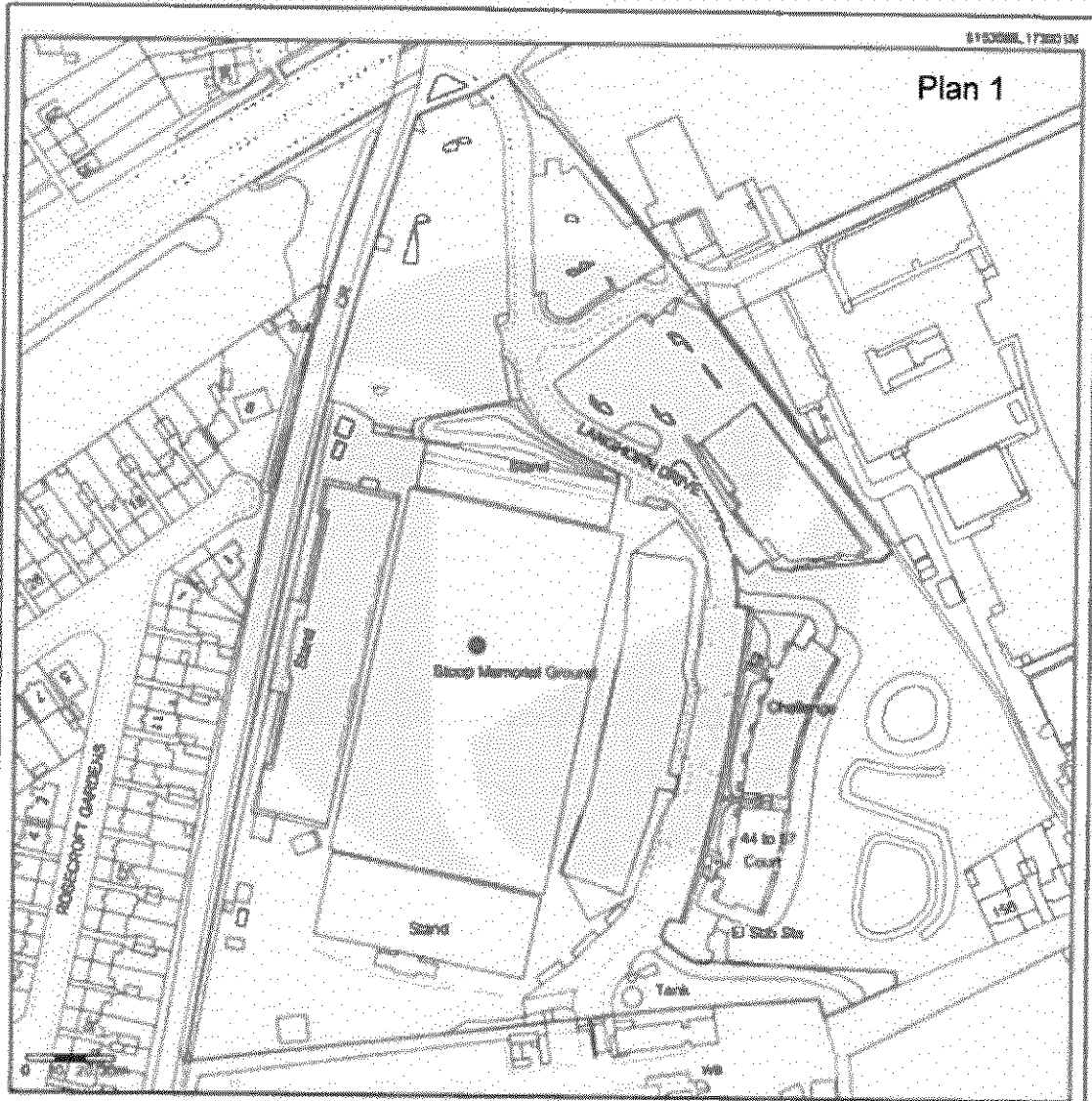
SCHEDULE 2

PART A

REAL PROPERTY

Legal Owner	Address	Tenure	Title Number
HARLEQUIN ESTATES (TWICKENHAM) LIMITED	Part of the land and buildings known as The Twickenham Stoop Stadium, Langhorn Drive, Twickenham, TW2 7SX and The Stoop Memorial Ground, Langhorn Drive, Twickenham shown edged red on the plan attached at Part B (<i>Real Property</i>) to this Schedule 2	Freehold	Part of TGL318831
	Land at Langhorn Drive, Twickenham shown edged red on the plan attached at Part C (<i>Real Property</i>) to this Schedule 2	Freehold	TGL439923

PART B PLAN



S14007E, 173041N



For Reference Purposes Only
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(cross Hatched Area As Per Plan)
The Stoop Stadium
Langhorn Drive
Twickenham
TW2 7SX

Case Reference: 1000050558

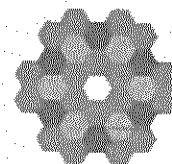


PART C PLAN

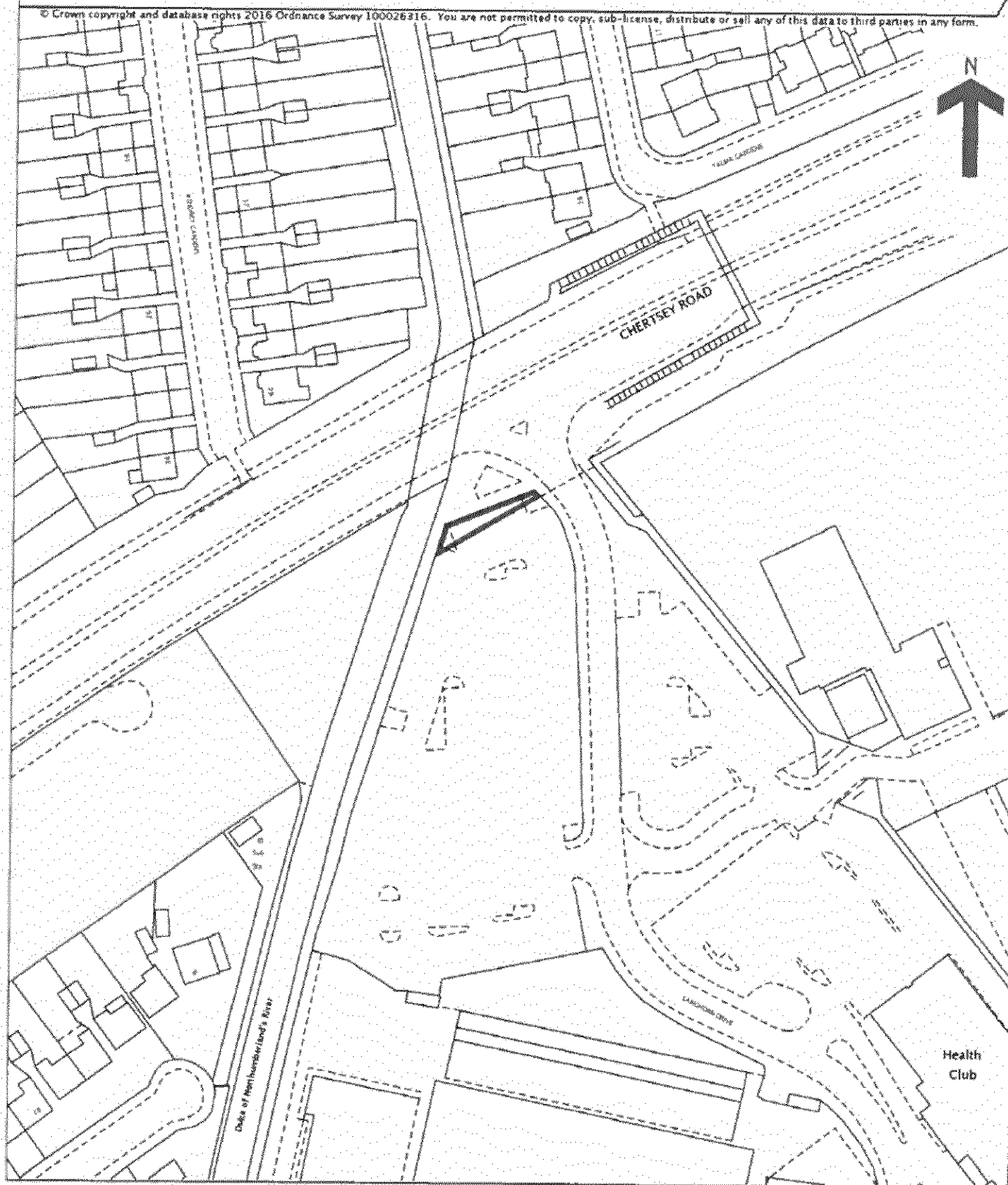
HM Land Registry
Official copy of
title plan

Title number **TGL439923**
Ordnance Survey map reference **TQ1573NW**
Scale **1:1250**
Administrative area **Richmond upon Thames**

Plan 2



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SCHEDULE 3 NOTICES

PART A

NOTICE TO ACCOUNT BANK

[On the letterhead of the Company]

To: [Account Bank]

[Date]

Dear Sir or Madam,

Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")

We hereby give you notice that under the Debenture we have charged (by way of a first fixed charge) in favour of Butterfield Bank (Guernsey) Limited (the "Bank") all our rights in respect of any amount moneys standing to the credit of any account maintained by us with you (the "Accounts").

We irrevocably instruct and authorise you to:

- (a) disclose to the Bank any information relating to any Account requested from you by the Bank;
- (b) comply with the terms of any written notice or instruction relating to any Account received by you from the Bank; and
- (c) pay or release any sum standing to the credit of any Account in accordance with the written instructions of the Bank.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Bank at P.O. Box 25, Regency Court, Giategny Esplanade, St Peter Port, Guernsey GY1 3AP, Attention: Emma J Gallienne with a copy to us.

Yours faithfully,

.....
(Authorised signatory)

[the Company]

PART B

ACKNOWLEDGEMENT OF ACCOUNT BANK

[On the letterhead of the Account Bank]

To: Butterfield Bank (Guernsey) Limited
P.O. Box 25, Regency Court, Glatigny Esplanade,
St Peter Port, Guernsey GY1 3AP
Attention: []
Copy: [the Company]

[Date]

Dear Sir or Madam,

Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")

We confirm receipt from [name of the Company] (the "Chargor") of a notice dated []
of a charge upon the terms of the Debenture over all the rights of the Chargor to any amount
standing to the credit of any of the Chargor's accounts with us (the "Accounts").

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in any Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account; and
- (d) will not permit any amount to be withdrawn from any Account without your prior written consent if you notify us that an Event of Default is outstanding under the Facility Agreement (as defined in the Debenture).

The Accounts maintained with us are:

[Specify accounts and account numbers]

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

Yours faithfully,

.....
(Authorised signatory)

[Account Bank]

PART C

NOTICE TO OCCUPATIONAL TENANT

[On the letterhead of the Company]

To: [Occupational tenant]

[Date]

Dear Sir or Madam,

Re: [Property]

**Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")**

We refer to the lease dated [] and made between [] and
[] (the "Lease").

This letter constitutes notice to you that under the Debenture we assigned (by way of security) in favour of Butterfield Bank (Guernsey) Limited (the "**Bank**") all our rights under the Lease.

We irrevocably instruct and authorise you to following confirmation from the Bank that an Event of Default (as defined in the Facility Letter (defined in the Debenture)) is outstanding, pay any rent payable by you under the Lease to such account as the Bank may notify you in writing (the "**Account**").

The instructions in this letter apply until you receive notice from the Bank to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Bank at P.O. Box 25, Regency Court, Glatigny Esplanade, St Peter Port, Guernsey GY1 3AP, Attention: Emma J Gallienne.

Yours faithfully,

For

[COMPANY]

PART D

ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: Butterfield Bank (Guernsey) Limited
P.O. Box 25, Regency Court, Glatigny Esplanade,
St Peter Port, Guernsey GY1 3AP

Attention: []

[Date]

Dear Sir or Madam,

Re: [Property]

Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")

We confirm receipt from [name of the Company] (the "Chargor") of a notice dated []
(the "Notice") in relation to the Lease (as defined in the Notice).

We accept the instructions contained in the Notice.

We confirm that we:

- (a) have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease (as defined in the Notice);
- (b) must pay all rent and all other monies payable by us under the Lease into the Account (as defined in the Notice); and
- (c) must continue to pay those monies into the Account until we receive your written instructions to the contrary.

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

Yours faithfully,

For

[Tenant]

PART E
NOTICE TO INSURER

To: [Insurer]

[Date]

Dear Sir or Madam,

**Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")**

We hereby give you notice that under the Debenture we assigned to Butterfield Bank (Guernsey) Limited (the "Bank") all our rights to and title and interest from time to time in, to and under insurance policy number[s] [•] effected by us or whomsoever in relation to the properties listed in the Schedule hereto (including all moneys payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy[ies] of insurance (the "Policy[ies]").

We irrevocably instruct and authorise you to, following confirmation from the Bank that an Event of Default (as defined in the Facility Letter (defined in the Debenture)) is outstanding, pay all payments under or arising under the Policy[ies] to such account as the Bank may notify you in writing. It is very important that you make all immediate arrangements for all such sums payable by you under the Policy[ies] to be paid to this account.

Please note that:

1. all remedies provided for under the Policy[ies] or available at law or in equity are exercisable by the Bank;
2. all rights to compel performance of the Policy[ies] are exercisable by the Bank; and
3. all rights, interests and benefits whatsoever accruing to or for our benefit arising under the Policy[ies] belong to the Bank.

We will remain liable to perform all our obligations under the Policy[ies] and the Bank is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy[ies].

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Bank at P.O. Box 25, Regency Court, Glatigny Esplanade, St Peter Port, Guernsey GY1 3AP, Attention Emma J Gallienne.

Yours faithfully,

.....
(Authorised signatory)

[the Company]

**SCHEDULE
PROPERTIES**

PART F

ACKNOWLEDGEMENT OF INSURER

To: Butterfield Bank (Guernsey) Limited
P.O. Box 25, Regency Court, Glatigny Esplanade,
St Peter Port, Guernsey GY1 3AP

Attention: []

[Date]

Dear Sir or Madam,

**Debenture dated [] between [the Company]
and Butterfield Bank (Guernsey) Limited (the "Debenture")**

We confirm receipt from [name of the Company] (the "Company") of a notice dated [•] of an assignment upon the terms of the Debenture to Butterfield Bank (Guernsey) Limited (the "Bank") of the Company's right, interests and benefit in, to and under the Policy[ies] (as specified in that notice) to which we are a party.

We confirm that we have not received notice of any other assignment or charge of or over any of the rights, title and interests specified in such notice and will make all payments in accordance with the terms of the notice to the account specified in that notice.

We further confirm that:

1. no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Bank;
2. no termination of such rights, interests or benefits will be effective unless we have given the Bank at least 30 days' written notice of the proposed termination and specifying the action necessary to avoid such termination;
3. the Company will remain liable to perform all of its obligations under the Policy[ies] and the Bank is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by the Company to perform its obligations under the Policy[ies]; and
4. as the Bank is named as composite insured, no breach or default on the part of the Company of any of the terms of such Policy[ies] will be deemed to have occurred unless we have given notice of such breach to the Bank specifying how to make good such breach.

We unconditionally and irrevocably waive all rights of set-off, lien, counter-claim and other similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Company (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt.

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

Yours faithfully,

.....
(Authorised signatory)

[Insurer]

SIGNATORIES TO THIS DEED

EXECUTED AS A DEED by)
HARLEQUIN FC HOLDINGS LIMITED)
acting by)

[Redacted Signature]

Director

in the presence of:)

SANDRA POPE

Signature of witness

[Redacted Signature]

Name of witness

(in BLOCK CAPITALS)

CLAIRE MORRIS

Address of witness

[Redacted Address]

EXECUTED AS A DEED by
HARLEQUIN ESTATES
(TWICKENHAM) LIMITED
acting by

in the presence of:

)
)
)
)
)
)



Director

SANDRA POPE

Signature of witness



Name of witness

(in BLOCK CAPITALS)

CLARE MORRIS

Address of witness



EXECUTED AS A DEED by
HARLEQUIN COMMUNITY LIMITED
acting by



Director

in the presence of:

SANDRA POPE

Signature of witness



Name of witness
(in BLOCK CAPITALS)

CLAIRE MORRIS

Address of witness



THE BANK

EXECUTED AS A DEED by)
BUTTERFIELD BANK (GUERNSEY))
LIMITED)
a company incorporated in Guernsey)
acting by)
and)
being persons who in accordance with)
the laws of that territory are acting under)
the authority of that company)

Butterfield Bank (Guernsey) Limited
Signature in the name of the company

Authorised Signatory

Alan Bain B.A., C.A.
Chief Financial Officer

Authorised Signatory

Richard Saunders
Managing Director