bbh 556/117

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01

Particulars of a charge

IRIS Laserform

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

You can use the WebFiling service to file this form online. Please go to www companieshouse gov uk

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

✗ **What this form is NOT for**
You may not use this form to register a charge where there i instrument Use form MR08

FRIDAY

A336JT5D
A23 07/03/2014 #195
COMPANIES HOUSE

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

☑ You **must** enclose a certified copy of the instrument with this form This will be scanned and placed on the public record

For official use 6

1 Company details

Company number 0 1 0 8 4 7 2 3

Company name in full INTERNATIONAL CONFECTIONERY AGENCIES LIMITED

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

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date d0 d4 m0 m3 y2 y0 y1 y4

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

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

Name INVESTEC BANK PLC

Name

Name

Name

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

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

4 Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page
Please use a continuation page if you need to enter more details

Description

None at the date of this agreement

5 Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

[✓] **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

[✓] **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

[✓] **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

[✓] **Yes**

☐ **No**

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

❶ This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X Mayfair LLP X

This form must be signed by a person with an interest in the charge

MR01
Particulars of a charge

Presenter information

We will send the certificate to the address entered below All details given here will be available on the public record You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address

Contact name Laura Pike (LPP)

Company name Macfarlanes LLP

Address 20 Cursitor Street

Post town

County/Region London

Postcode E C 4 A 1 L T

Country UK

DX DX No 138 Chancery Lane

Telephone +44 (0)20 7831 9222

Certificate

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

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

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

Important information

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

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'

Where to send

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

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

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

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

Further information

For further information, please see the guidance notes on the website at www companieshouse gov uk or email enquiries@companieshouse gov uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse gov.uk

DK

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1084723

Charge code: 0108 4723 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th March 2014 and created by INTERNATIONAL CONFECTIONERY AGENCIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th March 2014.

Given at Companies House, Cardiff on 11th March 2014

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

SAVE FOR MATERIAL REDACTED PURSUANT TO S 859G COMPANIES ACT 2006, THIS COPY INSTRUMENT IS CERTIFIED TO BE A CORRECT COPY OF THE ORIGINAL INSTUMENT

Date 4 March 2014 Mcfl LLP

MACFARLANES LLP
6 March 2014

THE COMPANIES identified in Schedule 1
as Original Chargors

INVESTEC BANK PLC
as Security Agent

SECURITY AGREEMENT

This deed is subject to the terms of the Intercreditor Deed

MACFARLANES

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

27273331 3

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DATE 4 March 2014

PARTIES

1 **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (the "**Original Chargors**"), and

2 **INVESTEC BANK PLC** acting through its office at 2 Gresham Street, London EC2V 7QP as agent and trustee for the Finance Parties (as defined below) (the "**Security Agent**")

BACKGROUND

A The Chargors are entering into this deed in connection with the Finance Documents

B The Security Agent and the Chargors intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand

IT IS AGREED as follows.

1 Definitions and interpretation

1 1 Definitions

Unless otherwise provided in this deed, terms defined in the Senior Facilities Agreement and, after the Senior Discharge Date, the Mezzanine Facility Agreement shall have the same meaning where used in this deed

In addition in this deed, unless the context otherwise requires, the following words shall have the following meanings

Accounts: all accounts (including any Designated Accounts but excluding the Pensions Account and the RBS Account), and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by any Chargor or in which any Chargor has an interest,

Additional Chargor: any person which becomes a Chargor by executing a Deed of Accession

Administrator: a person appointed in accordance with Schedule B1 to the Insolvency Act 1986 to manage a Chargor's affairs, business and property,

Assigned Agreements the Acquisition Documents, the JTS Acquisition Documents, the Hedging Agreements and the Reports,

Blocked Account in relation to a Chargor

(a) any account so detailed in part 1 of schedule 3 or part 1 of schedule 2 of any Deed of Accession by which it has acceded to this deed, in each case specified as belonging to it, or

(b) any other account which the Security Agent and that Chargor have so designated,

Charged Assets: all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them),

Chargor an Original Chargor or an Additional Chargor,

Debts: all book and other debts, of any kind whatsoever (including any Non-Vesting Debts) now or at any time hereafter (and from time to time) due owing or payable to any Chargor

or in which any Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same;

Declared Default. an Event of Default which has resulted in

(a) the Agent under the Senior Facilities Agreement exercising any of its rights (or being directed to exercise any of its rights) under clause 25 19 (*Acceleration*) of the Senior Facilities Agreement, or

(b) the Agent under the Mezzanine Facility Agreement exercising any of its rights (or being directed to exercise any of its rights) under clause 24 19 (*Acceleration*) of the Mezzanine Facility Agreement;

Deed of Accession· a deed substantially in the form of schedule 4,

Designated Accounts each Mandatory Prepayment Account and each Holding Account including the accounts so detailed in part 1 of schedule 3 or part 1 of schedule 2 of any Deed of Accession and each Blocked Account,

Equipment: all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by any Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same,

Facility Agreements· the Senior Facilities Agreement and the Mezzanine Facility Agreement,

Finance Documents the Senior Finance Documents and the Mezzanine Finance Documents,

Finance Parties. the Senior Finance Parties and the Mezzanine Finance Parties,

Floating Charge Assets: all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it),

Goodwill all goodwill now or at any time hereafter (and from time to time) of or in a Chargor,

Insolvency Event the occurrence of any of the events or circumstances set out in clauses 25 6 (*Insolvency*) - 25 8 (*Creditors' Process*) (inclusive) of the Senior Facility Agreement or in clauses 24 6 (*Insolvency*) – 24 8 (*Creditors' Process*) (inclusive) of the Mezzanine Facility Agreement,

Insurance Policies. all contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies now or at any time hereafter (and from time to time) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties,

Intellectual Property· all interests in respect of any patent (including supplementary protection certificates), trade mark, service mark, trade name, registered design, design right, copyright, know-how, utility model, topographical or similar right moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case, any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest;

Lenders. the Senior Lenders and the Mezzanine Lenders;

LPA: the Law of Property Act 1925,

Mezzanine Agent: the Agent under and as defined in the Mezzanine Facility Agreement,

Mezzanine Facility Agreement: the agreement dated 16 November 2012 and made between, among others, the Mezzanine Agent and the Original Chargors relating to a mezzanine loan facility,

Mezzanine Finance Documents· the Finance Documents (as such term is defined in the Mezzanine Facility Agreement),

Mezzanine Finance Parties. the Finance Parties (as such term is defined in the Mezzanine Facility Agreement),

Mezzanine Lenders: the Lenders (as such term is defined in the Mezzanine Facility Agreement),

Non-Vesting Debt: in relation to a Chargor which is a Borrower under the Ancillary Facility, any Debt which either fails to vest absolutely or effectively in the Ancillary Lender in accordance with the provisions of the Ancillary Documents for any reason, including where the assignment of that Debt to the Ancillary Lender is void or voidable (whether as between the Ancillary Lender and such Chargor or as between the Ancillary Lender and any third party),

Obligor each Obligor as defined in the Senior Facilities Agreement and each Obligor as defined in the Mezzanine Facility Agreement,

Pension Fund Interests all interests and rights now or at any time hereafter (and from time to time) owned or held by any Chargor in relation to any pension fund,

Pensions Account: the pension scheme account held by Hancock Cash & Carry Limited with the Royal Bank of Scotland plc with account number 10369282 and sort code 16-31-12,

Properties all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at any time hereafter (and from time to time) owned by any Chargor (including the properties which are briefly described in schedule 2 (*Properties currently owned*)) but excluding any Short Leasehold Properties,

Property Interests. all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case now or at any time hereafter (and from time to time) owned or held by any Chargor,

RBS Account. the blocked bank account held by Hancock Cash & Carry Limited with The Royal Bank of Scotland plc containing the principal amount of £130,000 (plus accrued interest from time to time) in support of the obligations of Hancock Cash & Carry Limited to The Royal Bank of Scotland plc in respect of certain banking facilities provided to it,

Receiver a person appointed by the Security Agent to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Chargor,

Secured Liabilities· all present and future moneys, obligations and liabilities due, owing or payable by any Obligor to the Finance Parties, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever under or in connection with the Finance Documents,

Securities all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned by any Chargor, or in which any Chargor has an interest together with all allotments

offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof,

Securities Issuer: the issuer of any Securities,

Security Period the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full,

Senior Agent the Agent as such term is defined in the Senior Facilities Agreement,

Senior Discharge Date: has the meaning given to that term in the Intercreditor Deed,

Senior Facilities Agreement the agreement dated 16 November 2012 and made between, among others, the Senior Agent and the Chargors relating to certain loan and other banking facilities,

Senior Finance Documents the Finance Documents (as such term is defined in the Senior Facilities Agreement),

Senior Finance Parties. the Finance Parties (as such term is defined in the Senior Facilities Agreement)

Senior Lenders the Lenders (as such term is defined in the Senior Facilities Agreement),

Short Leasehold Property: all leasehold properties for a term of less than 15 years unexpired at the date of the acquisition of the lease (whether registered or unregistered) owned by any Chargor under which the relevant Chargor is obliged to pay a rack rental, save where continuing occupation of the relevant land or as the case may be, property is required in order to carry on the business and operations of the Chargor,

Trading Account in relation to any Chargor

(a) any account detailed in part 2 of schedule 3 or part 2 of schedule 2 of any Deed of Accession by which it has acceded to this deed in each case specified as belonging to it, or

(b) any other account which the Security Agent and that Chargor have so designated and

Uncalled Capital all the uncalled capital now or at any time hereafter (and from time to time) of a Chargor

1 2 **Construction**

1 2 1 Unless otherwise provided in this deed, the provisions of clause 1 2 (*Construction*) of the Senior Facilities Agreement and, after the Senior Discharge Date, clause 1 2 (*Construction*) of the Mezzanine Facility Agreement apply to this deed as though they were set in full in this deed, *mutatis mutandis*

1 2 2 In this deed (unless the context requires otherwise) any reference to

1 2 2 1 each Chargor, each Finance Party, each Obligor, any Securities Issuer, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements,

1 2 2 2 a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended (however fundamentally, including any amendment providing for any increase in the amount of any facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of this deed or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Security Agent,

1 2 2 3 "assets" includes present and future properties, revenues and rights of every description,

1 2 2 4 the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 14 1 (*Enforcement events)*

1 2 2 5 "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred,

1 2 2 6 "law" includes the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing

1 2 2 7 a provision of law is a reference to that provision as amended or re-enacted from time to time,

1 2 2 8 a time of day is a reference to London time,

1 2 2 9 any gender includes a reference to the other genders,

1 2 2 10 the singular includes a reference to the plural and vice versa, and

1 2 2 11 a clause or schedule is to a clause or schedule (as the case may be) of or to this deed

1 2 3 Clause and schedule headings are for ease of reference only

1 3 **Nature of security over real property**

A reference in this deed to any freehold, leasehold or commonhold property includes

1 3.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property,

1 3 2 the proceeds of sale of any part of that property, and

1 3 3 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any monies paid or payable in respect of those covenants

1 4 **Secured Liabilities**

References in this deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing

2 Covenant to pay; Further advances

2 1 **Covenant to pay**

Each Chargor hereby covenants with the Security Agent (as trustee for the Finance Parties) that it will on demand pay and discharge all Secured Liabilities to the Finance Parties when the same become due whether by acceleration or otherwise in accordance with the terms of the Finance Documents, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Finance Parties in relation to any such Secured Liabilities

2 2 **Potential invalidity**

Neither the covenant to pay in clause 2 1 (*Covenant to pay*) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law

2 3 **Further advances**

This deed secures further advances made under or pursuant to the terms of the Finance Documents

3 Grant of security

3 1 **Fixed security**

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby

3 1 1 grants to the Security Agent (as trustee for the Finance Parties) a charge by way of legal mortgage over all its Properties which are listed in schedule 2 (*Properties currently owned*) opposite its name,

3 1 2 charges to the Security Agent (as trustee for the Finance Parties) by way of first fixed charge, all its

3 1 2 1 Properties acquired by it after the date of this deed,

3 1 2 2 Property Interests,

3 1 2 3 Equipment;

3 1 2 4 Securities,

3 1 2 5 Intellectual Property;

3 1 2 6 Insurance Policies

3 1 2 7 Debts,

3 1 2 8 Accounts,

3 1 2 9 Pension Fund Interests;

3 1 2 10 Goodwill and Uncalled Capital, and

3 1 2 11 rights, title and interest to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3 1 1-3 1 4 inclusive

3 1 3 assigns to the Security Agent (as trustee for the Finance Parties) absolutely, subject to a proviso for reassignment on redemption, all of its right title and interest in and to the Insurance Policies, and

3 1 4 assigns to the Security Agent (as trustee for the Finance Parties) absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements

3 2 **Floating security**

3 2 1 **Floating charge**

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby charges to the Security Agent (as trustee for the Finance Parties), by way of first floating charge, all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3 1 1-3 1 4 inclusive above

3 2 2 **Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (as inserted by s 248 of, and Schedule 16 to the Enterprise Act 2002) applies to the floating charge created by this deed

3 2 3 **Automatic conversion of floating charge**

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

3 2 3 1 any Chargor creates or attempts to create any Security (other than any Permitted Security) or any trust in favour of another person over all or any of its assets, or

3 2 3 2 any Chargor disposes or attempts to dispose of all or any of its assets other than by way of a Permitted Disposal or in the ordinary course of its trading, or

3 2 3 3 an Insolvency Event has occurred,

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over the Floating Charge Assets

3 2 4 **Conversion of floating charge by notice**

Notwithstanding anything express or implied in this deed, if

3 2 4 1 an Event of Default has occurred and is continuing, or

3 2 4 2 the Security Agent considers (in its sole discretion) that any Charged Assets are in jeopardy,

the Security Agent may at any time thereafter, by notice to a Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the relevant Chargor specified in such notice (but without prejudice to the Security Agent's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Security Agent whatsoever)

3 2 5 **Assets acquired after any floating charge conversion**

Any asset acquired by any Chargor after any conversion of the floating charge created under this deed, in accordance with clauses 3 2 3 or 3 2 4 above which but for such conversion would be subject to a floating charge shall, (unless the Security Agent confirms in writing to the contrary) be charged to the Security Agent (as trustee for the Finance Parties) by way of first fixed charge

3 2 6 **Reconversion of fixed charge assets into floating charge assets**

The Security Agent may at any time after any conversion of the floating charge created under this deed over any Charged Assets into a fixed charge in accordance with clauses 3 2 3 (*Automatic Conversion of floating charge*) or 3 2 4 (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the relevant Chargor

3 3 **Title documents**

Each Chargor shall on the execution of this deed or in the case of an Additional Chargor, on the date of the relevant Accession Deed (or, if later the date of acquisition of the relevant Charged Assets) (and in the case of any Securities, as soon as is practicable after its acquisition of any such Securities (including the Target Shares) after allowing sufficient time for the stamping of any stock transfer form, updating of the statutory books of the acquired company and the issue of any share certificate)) deposit with the Security Agent (and the Security Agent shall during the continuance of this security be entitled to hold)

3 3 1 all deeds and documents of title relating to the Charged Assets as the Security Agent may from time to time reasonably require, and

3 3 2 all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Security Agent may from time to time require

3 4 **Security notices**

Each Chargor shall immediately within 5 Business Days of the date of this deed or in the case of an Additional Chargor, on the date of the relevant Accession Deed

3 4 1 give notice in the form set out in part 1 of schedule 5 (*Form of notice to insurers*) to the relevant insurers of the assignment pursuant to clause 3 1 3 (*Fixed security*) of its rights and interest in and under the Insurance Policies and use reasonable endeavours to procure that each addressee of such notice will within 5 Business Days of the date of the relevant notice or otherwise as soon as reasonably practicable thereafter provide an acknowledgement to the

Security Agent in the form set out in part 1 of schedule 5 (*Form of acknowledgement from insurers*),

3 4 2 give notice in the form set out in part 1 of schedule 7 (*Form of notice to counterparties of Assigned Agreements*) to the other parties to the JTS Acquisition Documents to which it is a party of the assignment pursuant to clause 3 1 4 (*Fixed security*) of its rights and interest in and under such Assigned Agreements and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 7 (*Form of acknowledgement from counterparties to Assigned Agreements*),

3 4 3 give notice in the form set out in part 1 of schedule 7 (*Form of notice to counterparties of Assigned Agreements*) to the other parties to the Assigned Agreements (other than the JTS Acquisition Documents) to which it is a party of the assignment pursuant to clause 3 1 4 (*Fixed security*) of its rights and interest in and under the Reports and use reasonable endeavours to procure that each addressee of such notice will within 5 Business Days of the date of the relevant notice or otherwise as soon as reasonably practicable thereafter provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 7 (*Form of acknowledgement from counterparties to Assigned Agreements*), and

3 4 4 give notice in the form set out in part 1 of schedule 8 (*Form of notice of charge to third party bank*) to any bank, financial institution or other person of charging to the Security Agent pursuant to clause 3 1 2 8 of its rights and interests under such accounts and use reasonable endeavours to procure that each addressee of such notice will within 5 Business Days of the date of the relevant notice or otherwise as soon as reasonably practicable thereafter provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 8 (*Form of acknowledgement from third party bank*)

3 4 5 Investec Bank plc by its signature below acting in all capacities acknowledges the charging of the Designated Accounts pursuant to clause 3 1 2 8 in favour of the Security Agent

3 5 **Further security notices**

The Security Agent agrees that, until an Event of Default has occurred and is continuing, it will not give instructions

3 5 1 to the relevant insurers in relation to directions in respect of the payment of sums due to the Chargors under the Insurance Policies,

3 5 2 to any bank, financial institution or other person of charging in respect of withdrawals from the Accounts, or

3 5 3 to the other parties to the Assigned Agreements in relation to the direction of payments due to the Chargors under the Assigned Agreements

3 6 **Leasehold security restrictions**

3 6 1 There shall be excluded from the Security created by this deed, and from the operation of clause 4 1 (*Restrictions on dealing*), any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained

3 6 2 For each Excluded Property each relevant Chargor undertakes to

3 6 2 1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to Excluded Property owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Excluded Property (if otherwise) and, to use its best endeavours to obtain that consent or waiver of prohibition as soon as possible;

3 6 2 2 upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver, and

3 6 2 3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy

3 6 3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent (as trustee for the Finance Parties) under clause 3 1 1, clause 3 1 2 1 or clause 3 1 2 2 (*Fixed security*) as the case may be If required by the Security Agent at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge in such form as the Security Agent shall require

4 Restrictions on dealing

4 1 Negative pledge and restriction on disposal

Each Chargor hereby covenants with the Security Agent that it will not at any time except in accordance with the terms of the Facility Agreements

4 1 1 create or purport to create or permit to subsist any Security other than Permitted Security on or in relation to the Charged Assets, or

4 1 2 enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of any interest in any Charged Assets other than by way of a Permitted Disposal

4 2 Land Registry restriction

4 2 1 In respect of any Property registered at the Land Registry each Chargor hereby consents to the entry of the following restriction on the register of its title to such Property

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [*name of Security Agent*] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer"

4 2 2 Each Chargor authorises the Security Agent to make any application which it deems appropriate for the designation of this deed or any other Finance Document as an exempt information document under rule 136 Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Security Agent Each Chargor will notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 Land Registration Rules 2003 for the disclosure of this deed or any other Finance Document following its designation as an exempt information document and will not make any application under rule 138 Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document

4 3 **Restriction**

If Hancocks Holding Limited receives notice from a third party so entitled of its intention to exercise its rights under (i) the option agreement dated 30 June 1994 made between Wilson Bowden Properties Limited and R E & B Hancock (Sheffield) Limited or (ii) the transfer dated 30 June 1994 made between Wilson Bowden Properties Limited and R E & B Hancock (Sheffield) Limited, each relating to the freehold property at 25 and 27 Jubilee Drive, Loughborough, Leicester LE11 5TX registered at the Land Registry with title numbers LT257487 and LT267306 (the "**Loughborough Property**") provided that Hancocks Holding Limited shall first

4 3 1 immediately on receipt of such notice or becoming aware of such intention, inform the Security Agent of the proceedings, and

4 3 2 take all action necessary or which the Security Agent may reasonably request to resolve any issue or dispute with such a third party in such a way as to enable the Security created by this deed over the Loughborough Property to remain in place over that part of the Loughborough Property not subject to the relevant rights being exercised,

the Security Agent shall on reasonable request by Hancocks Holding Limited release the part of the Loughborough Property subject to such rights from the Security created by this deed to enable the option contained in the relevant agreement to be exercised pursuant to its terms

5 Debts and Accounts

5 1 **Preservation of debts**

Each Chargor shall not, except in accordance with, or as permitted under, the terms of the Facility Agreements, sell, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as hereinafter expressly provided

5 2 **Realising debts**

5 2 1 Subject to clause 5 2 2 below, each Chargor shall, as agent for the Security Agent

5 2 1 1 collect in and realise all Debts in the ordinary course of its business, pay the proceeds into the Trading Accounts forthwith upon receipt and, pending that payment, hold those proceeds in trust for the Security Agent (in each case unless otherwise agreed with the Security Agent or provided for in the Facility Agreements), and

5 2 1 2 if called upon so to do by the Security Agent, following an Event of Default which is continuing, execute a legal assignment of the Debts to the Security Agent (as trustee for the Finance Parties) in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Debts are due, owing or incurred

5 2 2 Notwithstanding clause 5 2 1 above, each Chargor which is a Borrower under the Ancillary Facility shall ensure that its Debts, including any Non-Vesting Debts, which are subject to the terms of the Ancillary Documents are collected, realised and paid in accordance with the terms of the Ancillary Documents into a trust account which shall be notified to it by the Ancillary Lender and which, for the avoidance of doubt, shall be a Blocked Account

5 3 **Accounts**

5 3 1 All Designated Accounts must be maintained with the Security Agent or as otherwise agreed with the Security Agent All Trading Accounts must be maintained with The Royal Bank of Scotland plc or any other bank based in the United Kingdom and providing general retail banking and clearing services to its customers (subject to such Account being located at a branch of that bank located in England and Wales) and all other Accounts must be maintained with a Finance Party or an Affiliate of a Finance Party or a bank or banks approved by the Security Agent

5 3 2 The Security Agent has sole signing rights on each Designated Account

5 3 3 No Account may be overdrawn at any time other than in respect of any overdraft facility which is approved by the Security Agent or which constitutes Permitted Financial Indebtedness

5 3 4 No Chargor shall open or procure the opening of any Account unless permitted under the Facility Agreements, the Account is in England or Wales or with the prior written consent of the Security Agent

5 3 5 Any cash pooling, netting or similar arrangements entered into or to be entered into by one or more Chargors in respect of their Trading Accounts must be on terms which have been approved by the Security Agent or which constitutes Permitted Financial Indebtedness

5 4 **Withdrawals**

5 4 1 Except with the prior consent of the Security Agent (or as otherwise permitted under the Finance Documents) no Chargor may withdraw any amounts from time to time standing to the credit of the Designated Accounts, and

5 4 2 after the security constituted by this deed has become enforceable, each Chargor shall comply with any notice served by the Security Agent on that Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its Accounts except with the prior consent of the Security Agent

6 Insurance

Each Chargor hereby covenants with the Security Agent that it will insure its assets and business in accordance with the requirements of the Facility Agreements

7 Properties

Each Chargor hereby covenants with the Security Agent that it will

7 1 **Maintenance**

keep all buildings on each Property and all fixtures belonging to it thereon and therein in a reasonable state of repair and condition where failure to do so will have or is reasonably likely to have a material negative impact on its value,

7 2 **Preservation of property and fixtures**

not without the prior consent of the Security Agent (such consent not to be unreasonably withheld)

7 2 1 pull down or remove the whole or any part of any buildings forming part of any Property,

7 2 2 make any material alterations to any Property, or

7 2 3 sever or unfix or remove any material fixtures thereto nor (except for the purpose of effecting necessary repairs thereto),

7 3 **Information**

7 3 1 within five Business Days after becoming aware thereof give full particulars to the Security Agent of any material notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever, and

7 3 2 if required by the Security Agent (acting reasonably), forthwith and at the cost of such Chargor take all steps to comply with any such notice, order, direction, designation or resolution and make or join with the Security Agent in making such objections or representations in respect of any such proposal as the Security Agent may request (acting reasonably).

7 4 **Compliance with obligations**

7 4 1 observe and perform all covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected,

7 4 2 perform and observe all covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held, and

7 4 3 promptly pay all fees duties, rates, charges and other outgoings in respect of the Properties,

in each case where failure to do so will have or is reasonably likely to have a Material Adverse Effect,

7 5 **Maintenance of interests in Properties**

not without the prior consent of the Security Agent or as permitted in the Facility Agreements

7 5 1 grant or agree to grant any licence or tenancy affecting any Property or part of a Property,

7 5 2 exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by ss 99 or 100 LPA, or

7 5 3 in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof,

7 6 **Registration restrictions**

procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Security Agent;

7 7 **Development restrictions**

not without the prior consent of the Security Agent (such consent not to be unreasonably withheld) carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property,

7 8 **No restrictive obligations**

not without the prior consent of the Security Agent (such consent not to be unreasonably withheld) or as otherwise permitted under the Facility Agreements, enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof which is materially detrimental to the value of that Property

7 9 **Proprietary rights**

procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Security Agent,

7 10 **Inspection**

permit the Security Agent, any Administrator and any Receiver (as each of those terms is defined in clause 15 1 (*Appointment of Administrator or Receiver*)) and any person appointed by either of them to enter upon and inspect any Property upon reasonable prior notice, and

7 11 **Property acquisitions**

if it acquires any freehold or leasehold property, whether registered or unregistered

7 11 1 inform the Security Agent promptly of such acquisition,

7 11 2 immediately on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in such form as the Security Agent may require (or such other Security in the jurisdiction where such property is located as the Security Agent may require), and

7 11 3 comply with all registration requirements resulting from the acquisition of such property and the creation of Security over such property pursuant to this deed and the legal mortgage (or other Security) referred to above

8 Equipment

Each Chargor hereby covenants with the Security Agent as follows

8 1 **Maintenance of equipment and payment of equipment fees**

8 1 1 to maintain the Equipment in reasonable condition (fair wear and tear excepted),

8 1 2 promptly to pay all fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and on demand produce evidence thereof to the Security Agent,

in each case where failure to do so will have or is reasonably likely to have a Material Adverse Effect,

8 2 **Equipment information**

to give the Security Agent such information concerning the location, condition, use and operation of the Equipment as the Security Agent may reasonably require and (upon reasonable notice) to permit any persons designated by the Security Agent at all reasonable times to inspect and examine the Equipment and the records maintained in connection therewith,

8 3 **Notice of Charge**

if so requested by the Security Agent, place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording

"NOTICE OF CHARGE

This [*description of item*] and ancillary equipment is subject to a fixed charge dated [ ] in favour of [*name of Security Agent*] "

9 Intellectual Property

Each Chargor hereby covenants with the Security Agent as follows

9 1 **Preservation of rights**

to take all action to safeguard and maintain its present and future rights in or relating to the Intellectual Property necessary for the business of the relevant Chargor and if requested to do so by the Security Agent, sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property which either record the existence of this deed or the restrictions on disposal imposed by this deed, and

9 2 **Consents**

following a request by the Security Agent, to use reasonable endeavours to promptly obtain any consent required for the creation of a fixed charge over any of the Intellectual Property

10 **Securities**

10 1 **Registration of Securities**

The Security Agent may once the security constituted by this deed has become enforceable at any time cause any or all of the Securities to be registered in the name of the Security Agent or its nominee Each Chargor agrees promptly to execute and deliver to the Security Agent all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration

10 2 **Additional registration obligations**

Each Chargor hereby

10 2 1 grants and agrees to procure as necessary, all consents, waivers, approvals and permissions which are necessary under the articles of association of any Securities Issuer or otherwise, for the transfer of the Securities to the Security Agent or its nominee or to a purchaser upon enforcement of this deed, and

10 2 2 agrees to procure the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Security Agent may reasonably require in order to permit such a transfer

10 3 **Dividends and voting rights prior to enforcement**

Until the security constituted by this deed becomes enforceable

10 3 1 all cash dividends or other cash distributions paid or payable in respect of the Securities may be paid directly to the relevant Chargor which shall be permitted to apply such dividends or distributions as it deems fit to the extent permitted by the Facility Agreements and the Intercreditor Deed,

10 3 2 any cash dividends or other cash distributions paid in respect of any of the Securities and received by the Security Agent or its nominee shall, on request by the relevant Chargor, be released and paid to such Chargor;

10 3 3 the relevant Chargor may exercise all voting and other rights and powers attaching to the Securities and exercisable by the relevant Chargor provided that the exercise of such voting and other rights and powers would not prejudice the Security Agent's security under this deed or the value of the Securities or contravene any Finance Document, and

10 3 4 the Security Agent will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Securities and exercisable by the Security Agent or its nominee as the relevant Chargor may from time to time direct provided that acting in accordance with such directions would not prejudice the Security Agent's security under this deed or the value of the Securities or contravene any Finance Document

10 4 **Dividends and voting rights post enforcement**

After the security constituted by this deed has become enforceable

10 4 1 all dividends and other distributions paid in respect of the Securities and received by any Chargor shall be held on trust for the Security Agent (as trustee for the Finance Parties) and forthwith paid into the Designated Account or, if received by the Security Agent or its nominee, shall be retained by the Security Agent, and

10 4 2 the Security Agent may exercise, or direct the exercise of, all voting and other rights and powers attaching to the Securities as the Security Agent may in its absolute discretion think fit and each Chargor shall, and shall procure that its nominees shall, comply with any directions from the Security Agent concerning the exercise of such rights and powers

10 5 **Additional undertakings**

Each Chargor further undertakes to the Security Agent that

10 5 1 it shall duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Securities, it being acknowledged by the Chargors that the Security Agent shall be under no liability whatsoever in respect of any such calls, instalments or other moneys,

10 5 2 it shall not without the Security Agent's prior consent or unless permitted under the Facility Agreements amend or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Securities,

10 5 3 it shall ensure (insofar as it is able by the exercise of all voting rights powers of control and other means available to it to do so) that no Securities Issuer will

10 5 3 1 consolidate or sub-divide any of its Securities or reduce or re-organise its share capital in any way (other than as permitted by the Facility Agreements),

10 5 3 2 issue any new shares or stock (other than in respect of a Permitted Share Issue), or

10 5 3 3 refuse to register any transfer of any of its Securities which may be lodged for registration by or on behalf of the Security Agent or a Chargor in accordance with this deed,

10 5 4 it shall promptly send to the Security Agent copies of all documents which are received by it in its capacity as a holder of any Securities in such capacity, and

10 5 5 it shall promptly give notice of this deed to any custodian of any Securities in any form which the Security Agent may reasonably require and use its best endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require

11 Uncalled Capital

Each Chargor further covenants with the Security Agent that it will not call up, or receive in advance of calls, any Uncalled Capital and it will apply all proceeds of any Uncalled Capital, immediately on receipt, towards the discharge of the Secured Liabilities

12 Representations and warranties

12 1 Representations and warranties

Each Chargor represents and warrants to the Security Agent as follows

12 1 1 it is the legal and beneficial owner of the Charged Assets,

12 1 2 it has not (to the best of its knowledge and belief) received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in them, which, if adversely determined, is reasonably likely to have a Material Adverse Effect on the Security created by this deed,

12 1 3 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which would have a Material Adverse Effect on the Charged Assets,

12 1 4 no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use,

12 1 5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property,

12 1 6 save for in respect of insurances, there is no prohibition on assignment in any agreements or authorisations referred to in clause 3 1 3 or 3 1 4 (*Fixed security*), or the relevant clauses of them as the case may be, and the Chargors entering into this deed will not constitute a breach of any such agreements or authorisations, and

12 1 7 this deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise

12 2 Repetition

The representations and warranties set out in clause 12 1 (*Representations and warranties*) will be deemed to be repeated by each Chargor on each day the Repeating Representations are deemed to be repeated by reference to the facts and circumstances then existing

12 3 Notice of breach

Each Chargor will promptly upon becoming aware of the same give the Security Agent notice in writing of any breach of any representation or warranty set out in clause 12 1 (*Representations and warranties*)

13 Power to remedy

13 1 If a Chargor is at any time in breach of any of its obligations contained in this deed (and, prior to an Event of Default, has not remedied such breach (if the failure to comply is capable of remedy) within five Business Days of the earlier of the Security Agent requesting such action or the relevant Chargor Obligor becoming aware of the failure to comply), the Security Agent shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Security Agent and its agents to do all things necessary or desirable in connection therewith

13 2 The rights of the Security Agent contained in this clause 13 are without prejudice to any other rights of the Security Agent hereunder and the exercise by the Security Agent of its rights under this clause shall not make the Security Agent liable to account as a mortgagee in possession

14 Enforcement

14 1 Enforcement events

14 1 1 The security constituted by this deed shall become immediately enforceable upon a Declared Default

14 1 2 After the security constituted by this deed has become enforceable, the powers of sale under the LPA and all other powers of the Security Agent shall immediately be exercisable and the Security Agent may in its absolute discretion enforce all or any part of the security created by this deed as it sees fit or as the Majority Lenders or, subject to the terms of the Intercreditor Deed the Majority Mezzanine Lenders (as defined in the Intercreditor Deed) direct

14 2 Statutory power of sale

The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Security Agent shall not exercise such power of sale until the security constituted by this deed has become enforceable

14 3 Extension of statutory powers

14 3 1 Any restriction imposed by law on the power of sale (including under s 103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s 93 LPA) does not apply to the security constituted by this deed and the Security Agent or any Receiver shall have the right to consolidate all or any of the security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same

14 3 2 Any powers of leasing conferred on the Security Agent or any Receiver by law are extended so as to authorise the Security Agent or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under ss 99 or 100 LPA)

14 4 No obligation to enquire

No person dealing with the Security Agent, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire

14 4 1 whether the security constituted by this deed has become enforceable,

14 4 2 whether any power exercised or purported to be exercised has become exercisable,

14 4 3 whether any money remains due under the Finance Documents,

14 4 4 as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets, or

14 4 5 how any money paid to the Security Agent, Administrator or Receiver, or its agents or brokers is to be applied

14 5 **No liability as mortgagee in possession**

None of the Security Agent, any Administrator or any Receiver shall be liable·

14 5 1 to account as mortgagee in possession in respect of all or any of the Charged Assets, or

14 5 2 for any loss or damage upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets or otherwise for which a mortgagee in possession might as such be liable (unless such loss or damage is caused by its gross negligence or wilful misconduct)

14 6 **Power to dispose of chattels**

After the security constituted by this deed has become enforceable, the Security Agent, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Security Agent, the Administrator or the Receiver shall be indemnified by such Chargor against any liability arising from such disposal (unless such liability is caused by its gross negligence or wilful misconduct)

14 7 **Redemption of prior Security Interests**

At any time after the security constituted by this deed shall have become enforceable the Security Agent may

14 7 1 redeem any prior Security,

14 7 2 procure the transfer thereof to itself, and/or

14 7 3 may settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Chargor and all monies paid by the Security Agent to the prior encumbrancer in accordance with such accounts shall as from such payment be due from such Chargor to the Security Agent on current account and shall bear interest and be secured as part of the Secured Liabilities

15 Administrator and Receiver

15 1 **Appointment of Administrator or Receiver**

At any time after

(a) the security constituted by this deed becomes enforceable,

(b) any corporate action or any other steps are taken or legal proceedings started by or in respect of any Obligor with a view to the appointment of an Administrator, or

(c) at the request of the relevant Chargor,

the Security Agent may without further notice, under seal or by writing under hand of a duly authorised officer of the Security Agent

15 1 1 appoint any person or persons to be an Administrator of any Chargor; or

15 1 2 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor, and

15 1 3 (subject to section 45 of the Insolvency Act 1986) from time to time remove any person appointed to be Receiver and appoint another in his place

15 2 **More than one appointment**

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Security Agent specifies to the contrary)

15 3 **Additional powers**

15 3.1 The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s 109 LPA or otherwise

15 3 2 The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Security Agent notwithstanding any prior appointment in respect of all or any part of the Charged Assets

15 4 **Agent of the relevant Chargor**

15 4 1 Any Administrator or Receiver shall be the agent of the relevant Chargor and the relevant Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him

15 4 2 No Finance Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of an Administrator or Receiver

15 5 **Powers of Administrator and Receiver**

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Schedule B1 to the Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed)

15 5 1 (in respect of a Receiver) all of the powers of an administrative receiver set out in Schedule B1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),

15 5 2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA,

15 5 3 all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any relevant Chargor itself could do or omit to do and

15 5 4 the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this deed or upon receivers by statue or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any relevant Chargor the collection and/or realisation of Charged Assets in such manner and on

such terms as the Administrator or Receiver sees fit, and the execution of documents in the name of the relevant Chargor (whether under hand, or by way of deed or by utilisation of the company seal of such Chargor))

16 Amounts received

16 1 Application of proceeds

The Receiver shall apply all monies received by him (other than insurance monies)

16 1 1 first in paying all rents, taxes, duties, rates and outgoings affecting any Charged Assets,

16 1 2 secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him,

16 1 3 thirdly in paying his remuneration (as agreed between him and the Security Agent),

16 1 4 fourthly in or towards discharge of the Secured Liabilities in such order and manner as provided for in the Finance Documents, and

16 1 5 finally in paying any surplus to the Chargors or any other person entitled to it

16 2 Section 109(8) Law of Property Act 1925

Neither the Security Agent nor any Receiver or Administrator shall be bound (whether by virtue of s 109(8) LPA, which is hereby varied accordingly or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities

16 3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Security Agent may convert any monies received, recovered or realised by the Security Agent under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Security Agent may think fit and any such conversion shall be effected at the Security Agent's then prevailing spot selling rate of exchange

16 4 Suspense account

All monies received recovered or realised by the Security Agent under this deed may at the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Security Agent thinks fit pending the application from time to time (as the Security Agent shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities

16 5 New accounts

If the Security Agent receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets, the Security Agent may open a new account or accounts for the relevant Chargor in its books and (without prejudice to the Security Agent's right to combine accounts) no money paid to the credit of such Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities If the Security Agent does not open a new account or accounts immediately on receipt of such notice then unless the Security Agent gives express notice to the contrary to the relevant Chargor as from the time of receipt of such notice by the Security Agent all payments made by the relevant Chargor to the Security Agent in the absence of any express appropriation by such Chargor to the contrary shall be treated as having been

credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities

16 6 **Security Agent set-off rights**

If the Security Agent shall have more than one account for any Chargor in its books the Security Agent may at any time after the security constituted by this deed has become enforceable or the Security Agent has received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Security Agent shall notify the relevant Chargor of the transfer having been made

17 Power of attorney and delegation

17 1 **Power of attorney**

Each Chargor hereby by way of security irrevocably appoints the Security Agent and (jointly and severally) each and every Administrator or Receiver of this deed to be the attorney of such Chargor and in its name and on its behalf and as its act and deed or otherwise and after the occurrence of an Event of Default which is continuing to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument or act which such Administrator or Receiver or the Security Agent may consider expedient in the exercise of any of his or its powers or in respect of such Chargor's obligations under this deed The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971

17 2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm

17 2 1 all transactions entered into by the Security Agent and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this deed, and

17 2 2 all transactions entered into by the Security Agent and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act in connection with this deed

17 3 The Security Agent and any Administrator or 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 these powers, authorities or discretions by it or him or any revocation of the delegation or subsequent delegation

18 Protection of security and further assurance

18 1 **Independent security**

This deed shall be in addition to and independent of every other security or guarantee that the Security Agent or any other Finance Party may at any time hold for any of the Secured Liabilities No prior security held by the Security Agent or any other Finance Party over the whole or any part of the Charged Assets shall merge in the security created by this deed

18 2 **Continuing security**

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part

18 3 **No waivers; rights cumulative**

No failure to exercise, nor delay in exercising, on the part of the Security Agent or any Finance Party, any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy The rights and remedies of the Security Agent and each Finance Party provided in this deed are cumulative and not exclusive of any rights or remedies provided by law

18 4 **No Chargor set-off**

Each Chargor waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by such Chargor under this deed)

18 5 **Further assurance**

18 5 1 Each Chargor must, promptly upon request by the Security Agent or any Receiver or Administrator (acting reasonably), at its own expense, take whatever action the Security Agent or a Receiver or Administrator may reasonably require for

18 5.1 1 creating, perfecting or protecting any security intended to be created by or pursuant to this deed,

18 5 1 2 facilitating the realisation of any Charged Asset,

18 5 1 3 exercising any right, power or discretion conferred on the Security Agent, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset, or

18 5 1 4 creating and perfecting security in favour of the Security Agent (equivalent to the security intended to be created by this deed) over any assets of any Chargor located in any jurisdiction outside England and Wales

18 5 2 This includes

18 5 2 1 the re-execution of this deed,

18 5 2 2 the execution of any legal mortgage charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee and

18 5 2 3 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent (or the Receiver or Administrator, as appropriate) may think expedient

19 Costs and indemnity

19 1 The provisions of clause 19 (*Costs and expenses*) of the Senior Facilities Agreement are incorporated into this deed as if set out in full *mutatis mutandis*

19 2 Each Chargor hereby agrees to indemnify and hold harmless the Security Agent, any Administrator and any Receiver from and against all actions, claims, expenses, demands and liabilities, whether arising out of contract or in tort or in any other way, which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done

in the exercise or purported exercise of his powers pursuant to this deed (unless such actions, claims, expenses, demands or liabilities is caused by its or his gross negligence or wilful misconduct)

20 Miscellaneous

20 1 Benefit of Deed

The benefit of this deed will be held by the Security Agent on and subject to the terms of the Finance Documents on trust for the benefit of itself and the other Finance Parties without preference or priority amongst themselves as security for the Secured Liabilities, except as provided under the Intercreditor Deed

20 2 Certificates conclusive

A certificate or determination by the Security Agent as to any amount or rate under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error

20 3 Limitations

The obligations of any Additional Chargor are subject to the limitations (if any) set out in the Deed of Accession executed by that Additional Chargor

20 4 Notice of assignment

This deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any other Finance Document

20 5 Financial collateral

20 5 1 To the extent that the Charged Assets constitute "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 no 3226)), the Security Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities

20 5 2 For the purpose of clause 20 5 1, the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

20 6 Severability

If any of the provisions of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby

20 7 Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with s 2(1) Law of Property (Miscellaneous Provisions) Act 1989

20 8 Third party rights

Save as expressly provided as otherwise expressly provided to the contrary in a Finance Document, a third party (being any person other than the Chargors and the Finance Parties and their successors and permitted assigns) has no right under the Contracts (Rights of

Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed Notwithstanding any term of any Finance Document, the consent of such third party is not required to rescind or vary this deed at any time

20 9 **Joint and several liability**

The covenants, agreements obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly

20 10 **Trustee Act 2000**

The Chargors and the Security Agent agree that the Security Agent shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000

21 Demands and notices

Any demand, notice, consent or communication to be made or given by or to a Chargor or the Security Agent under or in connection with this deed shall be made and delivered as provided in clause 34 (*Notices*) of the Senior Facilities Agreement Any demand on a Chargor shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities

22 Assignment and transfer

22 1 **Assignment by Security Agent**

The Security Agent may at any time without the consent of any Chargor, assign or transfer the whole or any part of its rights under this deed to any person to which it can transfer its rights in accordance with the terms of the Intercreditor Deed

22 2 **Assignment by Chargor**

No Chargor may assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person

23 Release of Security

23 1 **Release**

Subject to clause 23 3 (*Discharge conditional*), upon the expiry of the Security Period or in respect of a Permitted Disposal (but not otherwise) the Security Agent shall at the request and cost of the Chargors, take whatever action is necessary to release the Charged Assets (or certain Charged Assets as applicable) from the security constituted by this deed

23 2 **Avoidance of payments and reinstatement**

If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is (a) capable of being avoided or reduced (in the opinion of the Security Agent) or (b) avoided or reduced in each case as a result of insolvency or any similar event, then

23 2 1 the liability of each Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred,

23 2 2 each Finance Party will be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred, and

23 2 3 the Security Agent shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred

23 3 **Discharge conditional**

Any release, discharge or settlement between any Chargor and the Security Agent or any other Finance Party shall be deemed conditional upon no payment or security received by the Security Agent or such other Finance Party in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement

23 3 1 the Security Agent or its nominee shall be at liberty to retain this deed and the security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Security Agent shall deem necessary to provide the Security Agent with security against any such avoidance or reduction or order for refund, and

23 3 2 the Security Agent shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and each Chargor agrees with the Security Agent accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause, whether actual or contingent

24 Governing law

This deed and any non-contractual obligations arising out of or in connection with it, shall be governed by, and shall be construed in accordance with, English law

25 Enforcement

Jurisdiction of English courts

25 1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**")

25 2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary

25 3 This clause 25 is for the benefit of the Security Agent only As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions

26 Counterparts

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument

In Witness whereof this deed has been executed by the Original Chargors and, notwithstanding the fact that one or more of the parties may only execute it under hand, is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Security Agent

SCHEDULE 1

Original Chargors

Name	Registered Number	Registered Office
Hancocks Topco Limited	08266592	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancocks Midco Limited	08266800	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancocks Acquisition Limited	08267159	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancock Cash & Carry Limited	00868097	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancocks Group Holdings Limited	05652019	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancocks Retail Limited	04493004	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
Hancocks Holdings Limited	02884267	25 Jubilee Drive Loughborough Leicestershire LE11 5TX
World of Sweets Limited	04431556	1 Hockey Close Castle Business Park Loughborough Leicestershire LE11 5GX
International Confectionery Agencies Limited	01084723	25 Jubilee Drive Loughborough Leicestershire LE11 5TX

SCHEDULE 2

Properties currently owned

Part A: Registered Land

Name	Property	Trading Address	Registered Address	Title Number	Freehold/ Leasehold
Hancocks Holdings Limited	Birmingham	Devon Street, Duddeston Mill Road, Nechells, Birmingham B7 4SL	Land on the east side of Devon Street	WM570251	Freehold
Hancocks Holdings Limited	Bradford	Wharfdale Road, Euroway Industrial Estate, Bradford, West Yorkshire BD4 6SG	Land lying to the north west of Wharfedale Road, Euroway Industrial Estate, Bradford	WYK312175	Freehold
Hancocks Holdings Limited	Coventry	Gielgud Way, Cross Point Business Park, Coventry, West Midlands CV2 2SZ	Plot 4100, Cross Point, Ansty	WM594680	Freehold
Hancocks Holdings Limited	Hull	Malmo Road, Sutton Fields Industrial Estate, Hull HU7 0YF	Land on the west side of Stockholm Road, Kingston upon Hull	HS183413	Freehold
Hancocks Holdings Limited	Loughborough - Head Office	25 and 27 Jubilee Drive, Loughborough , Leicester LE11 5TX	1 Land on the north east side of Jubilee Drive, Loughborough 2 Land on the north east side of Jubilee Drive, Loughborough	1 LT257487 2 LT267306	Freehold
Hancocks Holdings Limited	Newcastle	Drum Industrial Estate, Chester Le Street, County Durham DH2 1AG	Land to the west of Drum Road, Drum Industrial Estate, Birtley	DU131230	Freehold

Hancocks Holdings Limited	Sheffield	Park House Lane, Bawtry Road, Sheffield, South Yorkshire S9 1XA	1 Unit 1, Park House, Lane, Tinsley 2 Land and buildings on the south west side of Park House Lane, Tinsley	1 SYK78735 2 YWE36041	Freehold
Hancocks Holdings Limited	Bristol	Fourth Way, Avonmouth, Bristol BS11 8DL	Land on the south west side of Fourth Way, Avonmouth	AV83293	Long leasehold (exp 2108)
Hancocks Holdings Limited	Manchester	2 Ambrose Street, Gorton, Manchester M12 5DD	Land and buildings on the south side of Ambrose Street, Manchester	GM253485	Long leasehold (exp 2080)

Part B Unregistered Land

SCHEDULE 3

Accounts

PART 1

Designated Accounts

Chargor	Account type	Account name	Account number	Sort code
Hancocks Acquisition Limited	Mandatory Prepayment Account	Hancocks Mandatory Prepayment Account		
Hancocks Acquisition Limited	Holding Account	Hancocks Holding Account		

PART 2

Trading Accounts

Chargor	Bank	Account name	Account number	Sort code
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Cash & Carry Ltd Euro Account		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Cash & Carry ltd US Dollar Account		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Group/ Cash & Cheque Account for C&C		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Cash Carry / Card payment Account		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock C & C Ltd		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Cash & Carry		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock C & C/Siba		

World of Sweets Limited	The Royal Bank of Scotland plc	World of Sweets Ltd (SFR)		
Hancocks Holdings Limited	The Royal Bank of Scotland plc	Hancocks Holdings Limited		
World of Sweets Limited	The Royal Bank of Scotland plc	World of Sweet Ltd (ICA)		
World of Sweets Limited	The Royal Bank of Scotland plc	World of Sweets Ltd		
Hancocks Topco Limited	The Royal Bank of Scotland plc	Hancocks Topco Limited		
Hancock Cash & Carry Limited	The Royal Bank of Scotland plc	Hancock Cash & Carry Ltd – Cash Cover Account		

SCHEDULE 4

Form of Deed of Accession

DATE 20[ ]

PARTIES

1 [ ] (registered number [ ]) with its registered office at [ ] (the "**Additional Chargor**"), and

2 Investec Bank plc acting through its office at [ ] as agent and trustee for the Finance Parties (as defined below) (the "**Security Agent**")

BACKGROUND

A The Additional Chargor is a Subsidiary of Topco

B Topco and others have entered into a security agreement dated [ ] (the "**Security Agreement**") between Topco and the Chargors under and as defined in the Security Agreement and the Security Agent

C The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Security Agreement

D The Security Agent and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand

E The Security Agent holds the benefit of this deed on trust for the Finance Parties on the terms of the Finance Documents

IT IS AGREED as follows

1 **Definitions and interpretation**

Terms defined in the Security Agreement have the same meaning in this deed unless given a different meaning in this deed This deed is a Finance Document

2 **Accession and covenant to pay**

2 1 With effect from the date of this deed the Additional Chargor

2 1 1 will become a party to the Security Agreement as a Chargor, and

2 1 2 will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor

2 2 The Additional Chargor hereby covenants with the Security Agent (as trustee for the Finance Parties) that it will on demand pay and discharge all Secured Liabilities to the Finance Parties when the same become due whether by acceleration or otherwise in accordance with the terms of the Finance Documents, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Finance Parties in relation to any such Secured Liabilities

2 3 Neither the covenant to pay in clause 2 2 above nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law

3 Grant of security

3 1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby

3 1 1 grants to the Security Agent (as trustee for the Finance Parties), a charge by way of legal mortgage over all its Properties which are listed in schedule 1 (*Properties currently owned*) to this deed,

3 1 2 charges to the Security Agent (as trustee for the Finance Parties), by way of first fixed charge, all its

3 1 2 1 Properties acquired by it after the date of this deed,

3 1 2 2 Property Interests,

3 1 2 3 Equipment,

3 1 2 4 Securities,

3 1 2 5 Intellectual Property

3 1 2 6 Insurance Policies,

3 1 2 7 Debts,

3 1 2 8 Accounts,

3 1 2 9 Pension Fund Interests,

3 1 2 10 Goodwill and Uncalled Capital, and

3 1 2 11 Right title and interest to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3 1 1-3 1 4 inclusive

3 1 3 assigns to the Security Agent (as trustee for the Finance Parties) absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies, and

3 1 4 assigns to the Security Agent (as trustee for the Finance Parties), absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements

3 2 Floating Security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges to the Security Agent (as trustee for the Finance Parties), by way of first floating charge, all of its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned pursuant to clauses 3 1 1-3 1 4 inclusive above

3 3 Leasehold Security restrictions

3 3 1 There shall be excluded from the Security created by this deed and by the Security Agreement and from the operation of clause 4 1 (*Restrictions on*

dealing) of the Security Agreement, any Excluded Property until the relevant Condition or waiver has been excluded or obtained

3 3 2 For each Excluded Property, the Additional Chargor undertakes to

3 3 2 1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed and, to use its best endeavours to obtain that consent or waiver of prohibition as soon as possible;

3 3 2 2 upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver, and

3 3 2 3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy

3 3 3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent (as trustee for the Finance Parties) under clause 3 1 1, clause 3 1 2 1 or clause 3 1 2 2 (*Fixed security*) of the Security Agreement as the case may be If required by the Security Agent at any time following receipt of that waiver or consent, the Additional Chargor will execute a valid fixed charge in such form as the Security Agent shall require

4 Land Registry restriction

In respect of any Property registered at the Land Registry, the Additional Chargor hereby consents to the entry of the following restriction on the register of its title to such Property

""No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [*name of Security Agent*] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer"

5 Miscellaneous

With effect from the date of this deed

5 1 the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this deed)

5 2 any reference in the Security Agreement to this deed and similar phrases will include this deed and all references in the Security Agreement to schedule 2 (*Properties currently owned*) (or any part of it) will include a reference to schedule 1 (Properties currently owned) to this deed (or relevant part of it) [and references to Accounts in the Security Agreement shall be references to Accounts as defined in this deed]

6 Governing law

This deed and any non-contractual obligations arising out of or in connection with it, shall be governed by, and shall be construed in accordance with, English law

7 Enforcement

7 1 Jurisdiction of English courts

7 1 1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**")

7 1 2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary

7 1 3 This clause 7 1 3 is for the benefit of the Security Agent only As a result the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions

7 2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor

7 2 1 irrevocably appoints [ ] as its agent for service of process in relation to any proceedings before the English courts in connection with this deed, and

7 2 2 agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned

8 Counterparts

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument

In Witness whereof this deed has been duly executed on the date first above written

SCHEDULE 1

Properties currently owned

Part A Registered Land

Part B. Unregistered Land

SCHEDULE 2

Accounts

Part 1

Designated Accounts

Chargor	Account type	Account name	Account number	Sort code
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]

Part 2

Trading Accounts

Chargor	Bank	Account name	Account number	Sort code
[ ]	[ ]	[ ]	[ ]	[ ]

SIGNATORIES (TO DEED OF ACCESSION)

The Additional Chargor

EXECUTED as a DEED and)
DELIVERED by [ ])
[LIMITED] acting by)

Director

Director/Secretary

The Security Agent

SIGNED by)
for and on behalf of [SECURITY)
TRUSTEE] in the presence of)

SCHEDULE 5

PART 1

Form of notice to insurers

From [*relevant Chargor*] (the "**Company**")

To [*insurer*]

[ ] 20[ ]

Dear Sirs

We refer to the [*describe policy and its number*] (the "**Policy**")

We hereby give notice that, pursuant to a security agreement dated [ ] (the "**Security Agreement**"), we have assigned to Investec Bank plc as trustee for the Finance Parties (as defined therein) (the "**Security Agent**") all our right, title, interest and benefit in and to the Policy

We irrevocably authorise and instruct you from time to time

(a) to disclose to the Security Agent without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Security Agent may at any time and from time to time request,

(b) to hold all sums from time to time due and payable by you to us under the Policy to the order of the Security Agent,

(c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policy only in accordance with the written instructions given to you by the Security Agent from time to time,

(d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums payable to us from time to time under the Policies or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction, and

(e) to send copies of all notices and other information given or received under the Policy to the Security Agent

By counter-signing this notice, the Security Agent confirms that we may continue to receive from you any amount in respect of or on account of the sums payable to us from time to time under the Policy until such time as the Security Agent shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to receive from you any amount in respect of or on account of the sums payable to us from time to time under the Policy without the prior written consent of the Security Agent and paragraphs (b) and (c) above shall be read accordingly

We are not permitted to, otherwise than through the Security Agent, agree any amendment or supplement to, or waive any obligation under, the Policy without the prior written consent of the Security Agent

This notice may only be revoked or amended with the prior written consent of the Security Agent

Please confirm by completing the enclosed acknowledgement and returning it to the Security Agent (with a copy to us) that

(a) you accept the instructions and authorisations contained in this notice,

(b) you have not, at the date this notice is returned to the Security Agent, 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 Company under or in respect of the Policy and you will notify the Security Agent promptly if you should do so in future,

(c) you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Security Agent from time to time,

(d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Security Agent

(e) that the Security Agent's interest as mortgagee is noted on the Policy

This notice is governed by English law

Yours faithfully

for and on behalf of
[ ]

for and on behalf of
[Security Agent]

SCHEDULE 6

Form of acknowledgement from insurers

From [*insurer*]

To Investec Bank plc (the "**Security Agent**")

[ ]

Dear Sirs

We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by

[ ] (the "**Company**") regarding the Policy (as defined in the Notice)

(a) we accept the instructions and authorisations contained in this notice,

(b) we have not, at the date of this acknowledgement, 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 Company under or in respect of the Policy and we will notify the Security Agent promptly if you should do so in future,

(c) we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Security Agent from time to time (and note the instructions provided by the Security Agent in the Notice),

(d) we will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Security Agent, and

(e) the Security Agent s interest as mortgagee is noted on the Policy

This letter is governed by English law

Yours faithfully

[*insurer*]

SCHEDULE 7

PART 1

Form of notice to counterparties of Assigned Agreements

From [*relevant Chargor*]

To [*counterparty*]

[ ] 20[ ]

Dear Sirs

We refer to the [*describe relevant Assigned Agreement*] (the "**Agreement**")

We hereby notify you that pursuant to a security agreement dated [ ] (the "**Security Agreement**") we have assigned to Investec Bank plc as trustee for the Finance Parties (as defined therein) (the "**Security Agent**") absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to the Agreement

We further notify you that

(a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Security Agent,

(b) subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent,

(c) you are authorised to disclose information in relation to the Agreement to the Security Agent on request (and note the instructions provided by the Security Agent in the Notice),

(d) by countersigning this notice, the Security Agent confirms that you may pay all monies to which we are entitled under the Agreement direct to us until such time as the Security Agent shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to receive from you any amount in respect of or on account of the sums payable to us from time to time under the Agreement without the prior written consent of the Security Agent

(e) the provisions of this notice may only be revoked with the written consent of the Security Agent

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that

(i) you agree to the terms set out in this notice and to act in accordance with its provisions, and

(ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party

This notice is governed by English law
Yours faithfully

for and on behalf of
[ ]

for and on behalf of
[Security Agent]

PART 2

Form of acknowledgement from counterparties of Assigned Agreements

From [*counterparty*]

To Investec Bank plc

Copy to [*relevant Chargor*]

[ ] 20[ ]

We hereby acknowledge receipt of the notice dated [ ], a copy of which is attached to the acknowledgment (the "**Notice**") and confirm the matters set out in paragraphs (i) and (ii) of the Notice

for and on behalf of
[*counterparty*]

SCHEDULE 8

PART 1

Form of notice of charge to third party bank

To [*name and address of third party bank*]

Attention [ ]

20[ ]

Dear Sirs

We hereby give you notice that by a security agreement dated [ ] (the "**Security Agreement**") (a copy of which is attached) we have charged to Investec Bank plc as trustee for the Finance Parties (as defined therein) (the "**Security Agent**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those sums

[ ] (together the "**Accounts**")

We hereby irrevocably instruct and authorise you

1 to credit to each Account all interest from time to time earned on the sums of money held in that Account,

2 to disclose to the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Security Agent may, at any time and from time to time, request you to disclose to it,

3 to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Security Agent,

4 to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Security Agent at any time and from time to time, and

5 to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions

[Notwithstanding paragraphs 3 and 4 above, please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Security Agent][1]

OR

[By counter-signing this notice, the Security Agent confirms that we may continue to make withdrawals from the Accounts until such time as the Security Agent shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Security Agent and paragraphs 3 and 4 above shall be read accordingly][2]

These instructions cannot be revoked or varied without the prior written consent of the Security Agent

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1 Use if a Designated Account
2 Use if a Trading Account

This notice is governed by English law

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Security Agent with a copy to ourselves

Yours faithfully

By .
for and on behalf of
[*relevant Chargor*]

for and on behalf of
[*Security Agent*]

PART 2

Form of acknowledgement from third party bank

To Investec Bank plc

20[ ]

Dear Sirs

We confirm receipt of a notice dated [ ] 20[ ] (the "**Notice**") from [*relevant Chargor*] (the "**Company**") of a charge, upon the terms of a Security Agreement dated [ ], over all the Company's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto

[ ] (together the "**Accounts**")
We confirm that

1 we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms,

2 we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest,

3 we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums save for in relation to administrative costs relating to the holding of the Accounts,

4 [we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories,3]

OR

5 [until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts, upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories, and]4

6 we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent

This letter shall be governed by English law

Yours faithfully

for and on behalf of
[*third party bank*]

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3 If Blocked accounts
4 If Trading Accounts

SIGNATORIES (TO SECURITY AGREEMENT)

The Chargors

EXECUTED AS A DEED
By HANCOCKS TOPCO LIMITED

	Signature of Director
M Watson	Name of Director

in the presence of

	Signature of witness
Alex McPhney	Name of witness
115 Colmore Row Birmingham B3 2AG	Address of witness
Trainee Solicitor	Occupation of witness

EXECUTED AS A DEED
By HANCOCKS MIDCO LIMITED

	Signature of Director
M Watson	Name of Director

in the presence of

	Signature of witness
Alex McPhney	Name of witness
115 Colmore Row Birmingham B3 2AG	Address of witness
Trainee Solicitor	Occupation of witness

EXECUTED AS A DEED
By HANCOCKS ACQUISITION LIMITED

	Signature of Director
M Watson	Name of Director

in the presence of

	Signature of witness
Alex McPhney	Name of witness
As Above	Address of witness
As Above	Occupation of witness

EXECUTED AS A DEED
By HANCOCK CASH & CARRY LIMITED

Signature of Director

M WATSON

Name of Director

in the presence of

Signature of witness

ALEX WEGHERLY

Name of witness

As Above

Address of witness

As Above

Occupation of witness

EXECUTED AS A DEED
By HANCOCKS GROUP HOLDINGS LIMITED

Signature of Director

M WATSON

Name of Director

in the presence of

Signature of witness

ALEX WEGHERLY

Name of witness

As Above

Address of witness

As Above

Occupation of witness

EXECUTED AS A DEED
By HANCOCKS RETAIL LIMITED

Signature of Director

M WATSON

Name of Director

in the presence of

Signature of witness

ALEX WEGHERLY

Name of witness

As Above

Address of witness

As Above

Occupation of witness

EXECUTED AS A DEED
By HANCOCKS HOLDINGS LIMITED

Signature of Director

M WATSON

Name of Director

in the presence of

Signature of witness

ALEX MCCARTHY

Name of witness

Address of witness

Occupation of witness

EXECUTED AS A DEED
By WORLD OF SWEETS LIMITED

Signature of Director

M WATSON

Name of Director

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

EXECUTED AS A DEED
By INTERNATIONAL CONFECTIONERY AGENCIES LIMITED

Signature of Director

R GARNER

Name of Director

in the presence of

Signature of witness

EMILY SCAIFE

Name of witness

Address of witness

SOLICITOR

Occupation of witness

The Security Agent

SIGNED by)
INVESTEC BANK PLC)
under a power of attorney dated)
4 June 2013)

SIGNED by)
INVESTEC BANK PLC)
under a power of attorney dated)
4 June 2013)