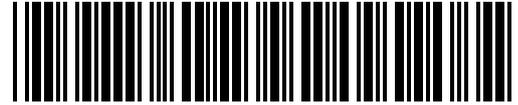




**Registration of a Charge**

Company Name: **MENTOR GROUP LIMITED**

Company Number: **02767629**



Received for filing in Electronic Format on the: **04/04/2023**

XC0PLRHE

**Details of Charge**

Date of creation: **30/03/2023**

Charge code: **0276 7629 0005**

Persons entitled: **CHRISTOPHER JAMES NORTON (AS SECURITY TRUSTEE)**

Brief description: **BY WAY OF FIXED CHARGE, ALL ITS PROPERTY (AS DEFINED IN CLAUSE 1.1 OF THE GUARANTEE AND DEBENTURE AS THE REAL PROPERTY FROM TIME TO TIME OWNED BY EACH CHARGOR OR IN WHICH ANY CHARGOR HAS AN INTEREST (INCLUDING THE REAL PROPERTY, IF ANY, SPECIFIED IN SCHEDULE 3 IN RESPECT OF EACH RELEVANT CHARGOR) TOGETHER WITH (IN EVERY CASE) ALL PROCEEDS OF SALE DERIVING FROM ANY SUCH REAL PROPERTY, THE BENEFIT OF ALL COVENANTS GIVEN IN RESPECT OF SUCH REAL PROPERTY AND ANY MONIES PAID OR PAYABLE IN RESPECT OF SUCH COVENANTS;) (AS DETAILED IN SCHEDULE 3 OF THE GUARANTEE AND DEBENTURE), AND ALL OTHER INTERESTS IN ITS PROPERTY, AND ANY RIGHTS UNDER ANY LICENCE OR OTHER AGREEMENT OR DOCUMENT WHICH GIVES SUCH CHARGOR A RIGHT TO ENTER UPON OR USE LAND WHEREVER SITUATED EXCLUDING, IN EACH CASE, THE EXCLUDED PROPERTY (AS DEFINED IN CLAUSE 1.1 OF THE GUARANTEE AND DEBENTURE AS (A) A LEASEHOLD PROPERTY HELD BY A CHARGOR NOW OR IN THE FUTURE UNDER A LEASE GRANTED AT A RACK RATE WHICH HAS AN UNEXPIRED TERM OF FIFTEEN YEARS OR LESS AT THE DATE OF THIS DEED (OR IN THE CASE OF FUTURE ACQUIRED LEASEHOLD PROPERTY, AT THE DATE OF ACQUISITION OF SUCH PROPERTY BY THE RELEVANT CHARGOR); OR (B) A FREEHOLD PROPERTY HELD BY A CHARGOR NOW OR IN THE FUTURE WITH A MARKET VALUE OF £500,000 (OR THE EQUIVALENT IN OTHER CURRENCIES) OR LESS AT THE DATE OF THIS DEED (OR IN THE CASE OF FUTURE ACQUIRED LEASEHOLD PROPERTY, AT THE DATE OF ACQUISITION OF SUCH PROPERTY BY THE RELEVANT CHARGOR)); AND BY WAY OF FIXED CHARGE, ALL INTELLECTUAL PROPERTY (IF**

**ANY) OWNED BY SUCH CHARGOR OR IN WHICH SUCH CHARGOR SHALL HAVE AN INTEREST.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

---

### **Authentication of Form**

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

---

### **Authentication of Instrument**

Certification statement: **WE CERTIFY THAT, SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006, THIS COPY INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **FIELD SEYMOUR PARKES LLP**



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

Company number: 2767629

Charge code: 0276 7629 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th March 2023 and created by MENTOR GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th April 2023 .

Given at Companies House, Cardiff on 8th April 2023

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



**Companies House**



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

DATED

30 March

2023

## **GUARANTEE AND DEBENTURE**

**(1) The Original Chargors**

In favour of

**(2) Christopher James Norton (as Security Trustee)**

**Field | Seymour | Parkes**

1 London Street, Reading, RG1 4PN

[www.fsp-law.com](http://www.fsp-law.com)

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30 March

DATED

2023

BETWEEN:

- (1) THE PARTIES LISTED IN SCHEDULE 1 to this Deed (the **Original Chargors**); and
- (2) **CHRISTOPHER JAMES NORTON** of 18 Melliss Avenue, Richmond, TVV9 4BQ as security trustee for the Secured Parties on the terms and conditions set out in the Security Trust (the **Security Trustee**), which expression shall include any person for the time being appointed as security trustee, trustee or as an additional security trustee or trustee for the purpose of, and in accordance with, the Security Trust Deed (as defined below).

#### AGREED TERMS

#### 1 DEFINITIONS AND INTERPRETATION

1.1 The definitions and rules of interpretation in Clause 1 apply:

<b>Additional Chargor</b>	any entity which becomes a Chargor by executing a Deed of Accession;
<b>Bank Balances</b>	all monies (including interest) from time to time standing to the credit of any and all present or future accounts which any Chargor has, or has interest in, with any bank, financial institution, or other person (including the accounts (if any) specified in Schedule 2 and any other cash cover or suspense account established pursuant to any of the Finance Documents), and all debts represented by any such amounts and all Related Rights to such accounts;
<b>Chargor's Intellectual Property</b>	in relation to any Chargor the Intellectual Property owned or used by such Chargor from time to time;
<b>Chargors</b>	each Original Chargor and any Additional Chargor;
<b>Collection Account</b>	in relation to any Chargor such specially designated account with the Security Trustee or such other account with such other bank as the Security Trustee may from time to time direct for the purposes of Clause 9.7.1 (Collection of Book Debts, etc.);
<b>Companies Act</b>	the Companies Act 2006;
<b>Deed of Accession</b>	a deed substantially in the form set out in Schedule 9, subject to such variations as the Security Trustee agrees;
<b>Default Rate</b>	three per cent, per annum above the highest rate of interest ordinarily applicable to the Secured Obligations from time to time;
<b>Delegate</b>	any delegate, agent, attorney or trustee appointed by the Security Trustee or Receiver;
<b>Derivative Assets</b>	all assets derived from any of the Shares including all allotments, accretions, offers, rights, dividends, interest, income, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to any of

	the Shares and all stocks, shares, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, exchange, purchase, substitution, option, interest or otherwise in respect thereof;
<b>Discharge Date</b>	the date that all the Secured Obligations have been fully and irrevocably paid to the satisfaction of the Noteholders and the Noteholders are under no further obligation to lend any further amounts under the Loan Note Documents;
<b>Distribution Rights</b>	<ul style="list-style-type: none"> <li>(a) all dividends, distributions, interest and other income paid or payable on the relevant Investment or Shares;</li> <li>(b) all shares or other property derived from the relevant Investment or Shares (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise); and</li> <li>(c) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Shares.</li> </ul>
<b>Enforcement Party</b>	the Security Trustee or a Receiver;
<b>Event of Default</b>	the occurrence of any of the events or circumstances described as an "Event of Default" in a Loan Note Instrument;
<b>Excluded Assets</b>	<p>means an asset, property or undertaking of each Chargor which requires the Chargor to obtain any consent or approval from any third party or government authority and such consent or approval is either not received or is received with conditions which are in the opinion of the Security Trustee;</p> <ul style="list-style-type: none"> <li>(a) unreasonable and unduly burdensome or restrictive on the ability of the Group as a whole to conduct its operations and business in the ordinary course or otherwise permitted under any other Finance Document;</li> <li>(b) not commercially practical on the Group as a whole to comply with;</li> </ul>
<b>Excluded Property</b>	<ul style="list-style-type: none"> <li>(a) a leasehold property held by a Chargor now or in the future under a lease granted at a rack rate which has an unexpired term of fifteen years or less at the date of this Deed (or in the case of future acquired leasehold property, at the date of acquisition of such property by the relevant Chargor); or</li> <li>(b) a freehold property held by a Chargor now or in the future with a market value of £500,000 (or the equivalent in other currencies) or less at the date of this Deed (or in the case of future acquired leasehold</li> </ul>

property, at the date of acquisition of such property by the relevant Chargor);

<b>Expenses</b>	all reasonable and properly incurred fees, legal and other professional fees, costs or expenses (together with VAT (where applicable)), incurred by any Enforcement Party in connection with (i) the preparation, negotiation and creation of this Deed (in respect of legal fees, up to any pre-agreed cap), (ii) after this Deed has become enforceable, taking, perfecting, enforcing or exercising any power under this Deed, the appointment of any Delegate or Receiver, the breach of any provision of this Deed and / or the protection, realisation or enforcement of this Deed;
<b>Finance Documents</b>	has the meaning given to that term in the Security Trust Deed;
<b>Financial Collateral</b>	has the meaning given to that expression in the Financial Collateral Regulations;
<b>Financial Collateral Regulations</b>	the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226);
<b>Fixtures</b>	any fixtures (but excluding landlord's fixtures), fittings, fixed plant or machinery from time to time situated on or forming part of the Property;
<b>Floating Charge Asset</b>	at any time, all of the Secured Assets which are at that time the subject of the floating charge created under this Deed;
<b>Founder 8% Fixed Rate Loan Note Instrument</b>	the instrument dated on or around the date of this deed constituting the Founder 8% Fixed Rate Loan Notes;
<b>Founder 8% Fixed Rate Loan Notes</b>	the £2,247,099 8% fixed rate secured loan notes 2028 of the Parent constituted by the Founder 8% Fixed Rate Loan Note Instrument;
<b>Group</b>	together the Parent and every company which is for the time being a subsidiary undertaking or holding company of the Company or a subsidiary undertaking of a holding company of the Company;
<b>Guarantee</b>	the guarantee and indemnity contained in Clause 2 and set out in Schedule 11;
<b>Insolvency Act</b>	the Insolvency Act 1986;
<b>Instructing Group</b>	has the meaning given to that term in the Security Trust Deed;
<b>Insurance Policy</b>	any policy of insurance (including, without limitation, key man insurance, life insurance or assurance but excluding any third party liability (which, for the avoidance of doubt shall include professional indemnity insurance, directors' and officers' insurance (to the extent any such insurance policies do not entitle the Chargor to the proceeds thereof) and public liability

	insurance) in which any Chargor may from time to time have an interest;
<b>Insurance Proceeds</b>	the proceeds of any insurance claim received by any Chargor, after deduction of any reasonable expenses incurred in relation to the relevant claim and payable by such Chargor to any person which is not a member of the Group together with the benefit of all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of any Chargor's ownership of any Insurances and all interest on any of the foregoing;
<b>Insurances</b>	all contracts or policies of insurance of whatever nature which from time to time are taken out or maintained by or on behalf of any Chargor or (to the extent of its relevant interest) in which any Chargor has an interest;
<b>Intellectual Property</b>	all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trademarks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered, owned by any Chargor or in which any Chargor has an interest from time to time, and the benefit of any Chargor's applications and rights to use such assets, throughout the world now and in the future;
<b>Investment</b>	any negotiable instrument, certificate of deposit, debenture, share or other investment (as specified for the purposes of Section 22 of the Financial Services and Markets Act 2000 as at the date of this Deed) now or in the future owned by any Chargor including (save where the context otherwise requires) the Shares;
<b>Investment Agreement</b>	the investment agreement entered into on or around the date of this Deed between (1) James McManus and others (as founders), (2) Jane Hall and others (as managers), (3) Shackleton Return #5 Limited Partnership (as Shackleton), (4) MEIF WM Equity LP, (5) Future Planet Capital (Ventures) Limited, (6) Arphaxad Limited, (7) Chris Norton (as security trustee) and (8) the Company (as amended, varied, supplemented, extended, restated);
<b>Loan Note Documents</b>	the Loan Note Instruments, the Loan Notes, the Security Trust Deed and this Deed;
<b>Loan Note Instruments</b>	the Founder 8% Fixed Rate Loan Note Instrument and the Shareholder 8% Fixed Rate Loan Note Instrument;
<b>Loan Notes</b>	the Founder 8% Fixed Rate Loan Notes and the Shareholder 8% Fixed Rate Loan Notes;
<b>LPA</b>	Law of Property Act 1925;
<b>Material Intellectual Property</b>	means registered Intellectual Property that is necessary for the business of an Obligor;

<b>Noteholder</b>	the holders of the Founder 8% Fixed Rate Loan Notes from time to time and the holders of the Shareholder 8% Fixed Rate Loan Notes from time to time;
<b>Parent</b>	Mentor Holdings Limited, incorporated and registered in England and Wales with company number 14658115;
<b>Party</b>	a party to this Deed;
<b>Permitted Disposal</b>	has the meaning given to that term in the Facility Agreement;
<b>Permitted Security</b>	has the meaning given to that term in the Senior Facility Agreement and, following the Senior Discharge Date any security consented to by the Instructing Group;
<b>Property</b>	the Real Property from time to time owned by each Chargor or in which any Chargor has an interest (including the Real Property, if any, specified in Schedule 3 in respect of each relevant Chargor) together with (in every case) all proceeds of sale deriving from any such Real Property, the benefit of all covenants given in respect of such Real Property and any monies paid or payable in respect of such covenants;
<b>Quarter Day</b>	the last day of December, March, June and September in each calendar year;
<b>Real Property</b>	any freehold, leasehold or immovable property and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any such property and any Related Rights;
<b>Receiver</b>	any one or more receivers and managers or (if the Security Trustee so specify in the relevant appointment) receivers appointed by the Security Trustee pursuant to this Deed in respect of any Chargor or in respect of the Secured Assets of any Chargor;
<b>Related Rights</b>	in relation to any asset (including but not limited to the Shares, Investments and the Derivative Assets): <ul style="list-style-type: none"> <li>(a) the proceeds of sale of any part of that asset;</li> <li>(b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;</li> <li>(c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset;</li> <li>(d) any Distribution Rights in relation to that asset; and</li> <li>(e) any monies and proceeds paid or payable in respect of that asset.</li> </ul>
<b>Secured Assets</b>	the assets charged, assigned or otherwise which are from time to time the subject of any security created or expressed to be

created in favour of the Security Trustee by or pursuant to this Deed and includes any part or parts of such assets;

<b>Secured Obligations</b>	all indebtedness and all obligations or liabilities of any kind (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) which may now or at any time in the future be due, owing or incurred by inter alia each Chargor, in each case under any of the Finance Documents (including any monies covenanted to be paid under this Deed) to the Security Trustee and or the other Secured Parties (or any of them), whatever their nature or basis, in any currency or currencies and however they are described;
<b>Secured Parties</b>	has the meaning given to that term in the Security Trust Deed;
<b>Security Financial Collateral Arrangement</b>	has the meaning given to that expression in the Financial Collateral Regulations;
<b>Security Period</b>	the period beginning on the date of this Deed and ending on the Discharge Date;
<b>Security Trust Deed</b>	the security trust deed dated the same date as this Guarantee and Debenture and made between the Security Trustee and the Initial Secured Parties (as defined therein);
<b>Senior Discharge Date</b>	has the meaning given to that term in the Senior Intercreditor Deed;
<b>Senior Facility Agreement</b>	the facility agreement dated on or about the date of this Deed and made between the Parent (as borrower), the Parent (as guarantor), FDC Debt LP acting by its general partner FDC General Partner Limited (as lender), Frontier Development Capital Limited (as security agent) and Frontier Development Capital Limited (as facility agent);
<b>Senior Finance Documents</b>	has the meaning given to the term "Finance Documents" in the Senior Facility Agreement;
<b>Senior Intercreditor Deed</b>	the intercreditor deed dated on or about the date of this Deed and made between, amongst others (1) FDC Debt LP acting by its general partner, FDC General Partner Limited (as lender), (2) Frontier Development Capital Limited (FDC) (as senior security agent), (3) FDC (as facility agent), (4) Christopher Norton and others (as founders), (5) Arphaxad Limited and others (as shareholders), (6) Christopher Norton (acting in his capacity as security trustee for the secured parties) and (7) the Parent and others;.

<b>Shareholder 8% Fixed Rate Loan Note Instrument</b>	the instrument dated on or around the date of this deed constituting the Shareholder 8% Fixed Rate Loan Notes;
<b>Shareholder 8% Fixed Rate Loan Notes</b>	the £357,902 8% shareholder fixed rate secured loan notes 2028 of the Parent constituted by the Shareholder 8% Fixed Rate Loan Note Instrument;
<b>Shares</b>	all shares specified in Schedule 4 and all other shares, debentures, bonds, warrants, coupons or other securities now or in the future in the capital of any other limited liability company which is a member of the Group in each case held by a Chargor from time to time or any in which it has an interest;
<b>Target</b>	Mentor Group Limited, a company incorporated under the laws of England and Wales with registered number 02767629;
<b>Target Shares</b>	all of the issued shares in the Target;
<b>Third Parties Act</b>	the Contracts (Rights of Third Parties) Act 1999; and
<b>VAT</b>	value added tax as provided for in the Value Added Taxes Act 1994 and any other tax of a similar fiscal nature.

## 1.2 Construction

In this Deed:

1.2.1 any reference to:

- (a) the word assets includes present and future property, revenue, rights and interests of every kind;
- (b) the word guarantee includes any guarantee or indemnity and any other financial support (including any participation or other assurance against loss and any deposit or payment) in respect of any person's indebtedness;
- (c) the word indebtedness includes any obligation for the payment or repayment of money, whatever the nature or basis of the relevant obligation (and whether present or future, actual or contingent);
- (d) the word law includes law established by or under statute, constitution, treaty, decree, regulation or judgment, common law and customary law; and the word lawful and similar words and phrases are to be construed accordingly;
- (e) the word person includes any individual, company, corporation, firm, government, state or any agency of a state and any association, partnership or trust (in each case, whether or not it has separate legal personality);
- (f) the word Property includes a reference to each separate Property of which particulars are set out in Schedule 3 and to any parts of such property;

- (g) the word regulation includes all guidelines, official directives, regulations, requests and rules (in each case, whether or not having the force of law) of any governmental, inter-governmental or supranational agency, body or department or of any regulatory or other authority or organisation (whether statutory or non-statutory, governmental or non-governmental);
  - (h) the word security includes any assignment by way of security, charge, lien, mortgage, pledge or other security interest securing any obligation of any person and any other agreement or arrangement having a similar effect;
  - (i) the word set-off includes analogous rights and obligations in other jurisdictions; and
  - (j) the word tax includes any tax, duty, impost or levy and any other charge or withholding of a similar nature (including any interest or penalty for late payment or non-payment);
- 1.2.2 where something (or a list of things) is introduced by the word **including**, or by the phrase **in particular**, or is followed by the phrase **or otherwise**, the intention is to state an example (or examples) and not to be exhaustive (and the same applies when other similar words or phrases are used);
- 1.2.3 each reference to any **Chargor**, the **Company**, any **Party**, the **Security Trustee**, the **Secured Parties** or any other party includes its or their (and any subsequent) successors in title and its permitted assignees or permitted transferees;
- 1.2.4 unless this Deed expressly states otherwise or the context requires otherwise, (a) each reference in this Deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this Deed) and (b) each reference in this Deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this Deed and whether amended or re-enacted since the date of this Deed);
- 1.2.5 each reference to this Deed (or to any other agreement or deed) means, at any time, this Deed (or as applicable such other agreement or deed) as amended, novated or supplemented, at that time;
- 1.2.6 each reference to the singular includes the plural and vice versa, as the context permits or requires;
- 1.2.7 the index and each heading in this Deed is for convenience only and does not affect the meaning of the words which follow it;
- 1.2.8 each reference to a clause or schedule is (unless expressly provided to the contrary) to be construed as a reference to the relevant clause or schedule to this Deed;
- 1.2.9 wherever this Deed states that any Chargor must not take a particular step without the consent of the Security Trustee, the Security Trustee has discretion whether to give its consent and can impose conditions on any such consent they gives;
- 1.2.10 an Event of Default is **continuing** if it has not been remedied to the satisfaction of the Security Trustee or waived by the Security Trustee in writing;

- 1.2.11 references to assets, matters or things specified, identified, included, inserted, particularised or referred to in a schedule are, in relation to any Chargor who becomes a Party upon the execution and delivery of a Deed of Accession, to be deemed to include any assets, matters or things specified, identified, included, inserted, particularised or referred to in any corresponding or analogous schedule to such Deed of Accession;
- 1.2.12 references to the **date of this Deed** or to the **execution of this Deed** are to be deemed to include, in relation to any Additional Chargor who becomes a Chargor upon the execution and delivery of a Deed of Accession, the date of or execution of such Deed of Accession; and
- 1.2.13 references to security given, made or created by this Deed are to be deemed to include security given made or created by any Deed of Accession and this Deed, in relation to each Chargor, is to be read and construed as if it were a separate deed in relation to such Chargor to the intent that if any security created by any other Chargor in this Deed shall be invalid or liable to be set aside for any reason, this shall not affect any security created under this Deed by such first Chargor.

### 1.3 Third Party Rights

- 1.3.1 A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this Deed except to the extent that this Deed or any other of the Finance Documents expressly provides for it to do so.
- 1.3.2 No consent of any person who is not a Party is required to rescind or vary this Deed at any time.
- 1.3.3 This Clause 1.3 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act.

### 1.4 Incorporation of other terms

- 1.4.1 The terms of the other Finance Documents under which the Secured Obligations arise and of any side letters between any Chargor and the Security Trustee relating to the Secured Obligations are incorporated in this Deed to the extent required for any purported disposition of the Secured Assets contained in this Deed to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.4.2 This Deed is a Finance Document.

### 1.5 Senior Intercreditor Deed

This Deed is subject to the terms of the Senior Intercreditor Deed. In the event of any conflict between the terms of this Deed and the Senior Intercreditor Deed, the terms of the Senior Intercreditor Deed shall prevail.

## 2 GUARANTEE

### 2.1 Guarantee and Indemnity

- 2.1.1 Each Chargor as principal obligor irrevocably and unconditionally:
  - (a) guarantees to the Security Trustee full, prompt and complete performance by each other Chargor of all of the Secured Obligations owing by such Chargor and the due and punctual payment of all the sums comprised in the Secured Obligations owing by each Chargor as and when they become due;

- (b) undertakes to the Security Trustee that if any of the other Chargors fail to pay any sum comprised in the Secured Obligations on its due date it will pay such sum on demand as if it instead of such other Chargor were the principal obligor in respect of those Secured Obligations; and
- (c) undertakes to indemnify the Security Trustee immediately on demand as an additional and independent obligation against all losses, damages, costs and expenses incurred by the Security Trustee arising from any failure by any of the other Chargors to pay the sums comprised in the Secured Obligations as and when they fall due.

2.1.2 The liabilities of the Chargors under the Guarantee are joint and several.

## 2.2 Extension of Guarantee

The guarantee set out in this Clause 2 is given subject to and with the benefit of the provisions set out in Schedule 11 (the **Guarantee**).

## 3 COVENANT TO PAY

### 3.1 Covenant

Each Chargor hereby, as primary obligor and not merely as surety, covenants with the Security Trustee (as trustee for the Secured Parties) that it will pay, discharge and perform the Secured Obligations as and when they fall due in accordance with their terms which the Chargors may at any time have to the Security Trustee (whether for its own account or as trustee for the Secured Parties). Each Chargor shall pay to the Security Trustee when due and payable every sum at any time owing, due or incurred by such Chargor to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities, provided that neither such covenant nor the security constituted by this Deed or any mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

### 3.2 Default Interest

Any amount which is not paid under this Deed on the due date shall bear interest (as well after as before judgment) payable on demand on a daily basis from the due date until the date of actual unconditional and irrevocable payment and discharge of such amount in full:

3.2.1 at the rate and in the manner agreed in the Finance Document under which such amount is payable; or

3.2.2 in the absence of such agreement, at the Default Rate from time to time.

## 4 CHARGING CLAUSE

### 4.1 Grant of security

Each Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations, charges as security in favour of the Security Trustee the following assets:

#### 4.1.1 Fixed charge on land and buildings

by way of fixed charge, all its Property (as detailed in Schedule 3), and all other interests in its Property, and any rights under any licence or other agreement or document which gives such Chargor a right to enter upon or use land wherever situated excluding, in each case, the Excluded Property;

4.1.2 Fixed charge on plant and machinery

by way of fixed charge, all plant and machinery (including those items of plant and machinery, if any, listed in respect of such Chargor in Schedule 5, now or in the future owned by it (but not including plant and machinery made subject to a valid fixed charge under Clauses 4.1.1 above nor any chattels mentioned in Clause 4.1.3 below) and the benefit of all contracts, licences and warranties relating to the same;

4.1.3 Fixed charge on other chattels

by way of fixed charge, all vehicles, computers (including those vehicles and computers, if any, listed in respect of such Chargor in Schedule 5, now or in the future owned by it and its interest in any vehicles and/or computers, in its possession (but not including any such chattels for the time being forming part of such Chargor's stock in trade or work in progress) and the benefit of all contracts, licences and warranties relating to the same;

4.1.4 Fixed charge on Shares

by way of fixed charge, the Shares, all Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise);

4.1.5 Fixed charge on Investments

by way of fixed charge, all Investments together with Related Rights from time to time accruing to or on such Investments;

4.1.6 Fixed charge on Book Debts etc

by way of fixed charge, all present and future book and other debts, revenues and monetary claims of such Chargor and all rights and claims of whatever nature of such Chargor now or which may at any time be held or enjoyed by it against third parties and against any securities and guarantees in respect of such debts, revenues or claims;

4.1.7 Fixed charge on Bank Balances

by way of fixed charge, all of its Bank Balances;

4.1.8 Fixed charge on Intellectual Property

by way of fixed charge, all Intellectual Property (if any) owned by such Chargor or in which such Chargor shall have an interest; and

4.1.9 Fixed charge on goodwill and uncalled capital

by way of fixed charge, all the goodwill and uncalled capital of such Chargor.

4.2 Assignments

Each Chargor hereby assigns, by way of security, with full title guarantee, with all covenants therein to the Security Trustee (as trustee for the Secured Parties) as security for the payment and discharge of the Secured Obligations, subject to a proviso for re-assignment on redemption, all such Chargor's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party and without prejudice to such Chargor's obligations under Clause 6.1 (Consent of third parties)) in each case both present and future in each case both present and future:

4.2.1 the Insurance Proceeds; and

4.2.2 each of the Specific Contracts,

and, in each case, all Related Rights.

#### 4.3 Floating charge

4.3.1 As further continuing security for the payment to the Security Trustee of the Secured Obligations each Chargor hereby charges in favour of the Security Trustee, by way of floating charge, all its assets and undertakings whatsoever and whosoever both present and future not effectively charged by way of legal mortgage or fixed charge pursuant to the provisions of Clause 4.1 (Fixed charges).

4.3.2 The floating charge created by each Chargor pursuant to Clause 4.3.1 is a **qualifying floating charge** for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4.3.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Trustee may appoint an administrator to a Chargor pursuant to that paragraph.

#### 4.4 Excluded Assets

4.4.1 Subject to clause 4.4.2 to clause 4.4.4, the security created by clause 4.1 and ~~4.2~~ shall not apply to an Excluded Asset until a Chargor obtains any relevant consent or approval to the creation of security over that Excluded Asset.

4.4.2 In relation to each Excluded Asset, the Chargors undertake to, in each case unless restricted by law or regulation:

- (a) apply for the relevant consent or approval and to use all reasonable and commercial endeavours to obtain that consent or approval as soon as possible;
- (b) keep the Security Trustee informed of its progress in obtaining that consent or approval; and
- (c) promptly on receipt of the consent or approval, provide the Security Trustee with a copy of that such consent or approval.

4.4.3 Immediately on receipt by a Chargor of the relevant consent or approval, that Excluded Asset shall become the subject of a mortgage or charge (as appropriate) pursuant to clause 4.1 and ~~4.2~~ (as appropriate). **F&P**

4.4.4 If required by the Lender at any time following receipt of that consent or approval, each Chargor shall, at its own cost, prepare and execute any further documents and take any further action the Security Trustee may require, in its absolute discretion (acting reasonably), for perfecting its security over that Excluded Asset.

#### 4.5 Conversion of floating charge

The Security Trustee may at any time by notice in writing to any Chargor convert the floating charge created pursuant to Clause 4.3 (Floating Charge) into a fixed charge as regards such assets as it shall specify in the notice in the event that: **F&P**

4.5.1 an Event of Default has occurred and is continuing; or

4.5.2 the Security Trustee is of the reasonable view that:

- (a) such assets are in danger of being seized; or
- (b) any legal process or execution is being enforced against such assets; or
- (c) such assets are otherwise in jeopardy; or

- (d) steps have been taken which would, in the reasonable opinion of the Security Trustee, be likely to lead to the appointment of an administrator in relation to such Chargor (or such administrator has been appointed) or to the winding-up of such Chargor,

and by way of further assurance such Chargor shall promptly execute a fixed charge over such assets in such form as the Security Trustee shall reasonably require.

4.6 Automatic conversion of floating charge

4.3

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In addition to any circumstances in which the floating charge created by Clause ~~4.2~~ (Floating charge) of this Deed will crystallise automatically under the general law, and without prejudice to the operation of Clause 4.4 (Conversion of floating charge):

4.6.1 if any Chargor creates (or purports to create) any security on or over any Floating Charge Asset (other than Permitted Security) without the prior written consent of the Security Trustee, such floating charge will automatically, without any notice being given under Clause 4.4 (Conversion of floating charge) and immediately upon such event occurring, be converted into a fixed charge over the relevant Floating Charge Asset; and

4.6.2 if any Chargor convenes any meeting of its members to consider a resolution to wind up or not to wind up such Chargor, or if a liquidator, Receiver or administrator or another similar officer is appointed in respect of such Chargor or any of its assets, such floating charge shall in like manner immediately upon the happening of such event be converted into a fixed charge over all the assets which immediately prior to such conversion comprised the Floating Charge Asset.

4.7 Continuing security

All the security granted or created by this Deed is to be a continuing security which shall remain in full force and effect notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by any Chargor or any other person of the whole or any part of the Secured Obligations.

4.8 Full title guarantee and implied covenants

All the security created or given under this Deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.9 Release

On the Discharge Date (but subject to Clause 18.7 (Avoidance of settlements and other matters)) the Security Trustee shall at the request and cost of each Chargor execute and do all deeds, acts and things as may be necessary to release the Secured Assets from the security constituted hereby or pursuant hereto.

4.10 Miscellaneous

The fact that no or incomplete details of any particular Secured Assets are included or inserted in any relevant schedule shall not affect the validity or enforceability of the charges created by this Deed.

## **5 FURTHER ASSURANCE**

### **5.1 General**

5.1.1 Each Chargor must (and the Company shall procure that each other Chargor will) at its own expense promptly do all such acts and things and execute such documents (including deeds, assignments, transfers, mortgages, charges, notices, instructions, assurances, agreements and instruments) as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s):

- (a) to perfect and protect (including against any change in or revised interpretation of any law or regulation) the security created (or intended to be created) under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Security Trustee provided by or pursuant to the Finance Documents or by law; or
- (b) to confer on the Security Trustee security over any property or assets of any Chargor located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to this Deed; or
- (c) (in its absolute discretion) to facilitate the realisation of the assets which are, or are intended to be, the subject of this Deed; or
- (d) otherwise for enforcing the same or exercising any of the Security Trustee's rights, powers, authorities or discretions under this Deed,

and each Chargor shall take all such action as is available to it (including the making of all filings and registrations and the payment of all fees and taxes) as may be necessary for the creation, perfection protection, maintenance or enhancement of any security conferred or intended to be conferred on the Security Trustee pursuant to this Deed.

5.1.2 Any security document required to be executed by any Chargor pursuant to Clause 5.1.1 will be prepared at the cost of such Chargor, and will be in such form and will contain such provisions as the Security Trustee may reasonably require.

## **6 PERFECTION OF SECURITY**

### **6.1 Consent of third parties**

Each Chargor shall use its reasonable endeavours to procure any consents necessary to enable the assets of that Chargor which are necessary for the running of that Chargor's business to be the subject of an effective fixed charge or assignment pursuant to the terms of Clause 4 (Fixed Charges, Assignments and Floating Charge) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security provided that no Chargor shall be required to comply with this Clause 6.1 where, if the Chargor were to comply with this Clause 6.1, such compliance would (in the reasonable opinion of the relevant Chargor) give the relevant third party a right to terminate or otherwise annul any rights, benefits and/or obligations with respect to a member of the Group and/or its assets or require any member of the Group to take any action materially adverse to its commercial interests.

### **6.2 Notices of assignment and charge**

After the Senior Discharge Date, each Chargor shall promptly after a request from the Security Trustee, deliver (or procure delivery) to the relevant counterparty (with a copy to the Security Trustee):

6.2.1 in respect of each Insurance Policy the proceeds of which are assigned pursuant to Clause 4.2 (Assignments), a notice of assignment substantially in the form set out in Schedule 6 (Form of Notice of Assignment of Insurances);

6.2.2 in respect of each Specific Contract (if any) assigned pursuant to Clause 4.2 (Assignments), a notice of assignment substantially in the form set out in Schedule 6 (Form of Notice of Assignment of Specific Contract),

and in each case such Chargor shall use all reasonable endeavours to procure that each notice is acknowledged promptly by the relevant counterparty provided such obligation to obtain an acknowledgement shall cease on the expiry of 20 Business Days from the relevant notice being provided.

### 6.3 Notices of charge: Accounts

6.3.1 After the Senior Discharge Date, each Chargor shall, within 3 Business Days of the request of the Security Trustee from time to time, in respect of any Account, deliver to the relevant bank or financial institution with which such Account is held (and with copy to the Security Trustee) (or procure delivery of) a notice of charge in the form set out in Schedule 8 (Form of Notice of Charge of Account) or such other form as the Security Trustee shall agree or require duly executed by or on behalf of such Chargor and shall use all reasonable endeavours to ensure that such notice is acknowledged by the relevant bank or financial institution with which that Account is opened or maintained and such obligation to obtain an acknowledgement shall cease on the expiry of 20 Business Days from the relevant notice being provided.

6.3.2 Where the recipient of any notice which is otherwise required to be served under this clause 6.3 is a Chargor (each a "**Recipient Chargor**"), the requirement to serve that notice shall not apply and such Recipient Chargor shall be deemed to have notice of the terms of this Debenture by its countersignature hereto.

### 6.4 Land Registry - application for restriction

6.4.1 After the Senior Discharge Date, in relation to all present and future registered Property (and any other unregistered Property subject to compulsory first registration at the date of this Deed), but excluding the Excluded Property, each Chargor shall, if requested by the Security Trustee, apply to the Land Registrar to enter on the register against the title number of or to be allocated to the relevant Property) of:

(a) on the Land Registry form RX1, a restriction in the following terms:

"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 [date of this Deed] in favour of [Names of Security Trustee] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its duly authorised officer."; and

(b) upon receipt of The Land Registry form CH2 duly completed by the Security Trustee, notice of an obligation to make further advances.

6.4.2 The Security Trustee, in its absolute discretion, may make any of the applications referred to in Clause 6.4.1 in place of such Chargor. In such a case, such Chargor consents to the entry of the relevant restriction and will pay the Expenses incurred in connection with the application.

### 6.5 Exempt information document

6.5.1 Subject always to the terms of the Senior Intercreditor Deed, each Chargor must at its own expense do whatever the Security Trustee may reasonably require in connection with:

(a) any application by the Security Trustee to have this Deed designated an exempt information document under Land Registration Rules 2003 rule 136; and

- (b) any person's application under Land Registration Rules 2003 rule 137 for disclosure of this Deed following its designation as an exempt information document.

6.5.2 Each Chargor must notify the Security Trustee in writing:

- (a) before making any application to have this Deed designated an exempt information document under Land Registration Rules 2003 rule 136;
- (b) as soon as it receives notice of any person's application under Land Registration Rules 2003 rule 137 for disclosure of this Deed following its designation as an exempt information document; and
- (c) before making any application under Land Registration Rules 2003 rule 138 for removal of any such designation.

## 6.6 Delivery of deed to Land Registry

Each Chargor submitting this Deed or any counterpart to the Land Registry must on each occasion also submit a certified copy of this Deed and request the return of the original and upon the return of the original it must deliver such original to the Security Trustee.

## 6.7 Registration of security over Material Intellectual Property

After the Senior Discharge Date, each Chargor must, at the request of the Security Trustee, at its own cost, prepare, execute and lodge for registration, recording and/or filing (as the case may require) all documents and forms necessary for:

- 6.7.1 this Deed and any other deed executed pursuant to this Deed relating to its Material Intellectual Property (or requisite particulars);
- 6.7.2 the Security Trustee's interests in such Chargor's Material Intellectual Property, present and future;
- 6.7.3 any licences or other interests affecting such Chargor's Material Intellectual Property; and
- 6.7.4 any pending or future patents, registered designs, registered trademarks, registered service marks or applications to register any of the same in the name of such Chargor,

to be registered, recorded or filed (as the case may be) on the relevant register maintained by any relevant patent office or registry whether in the United Kingdom or elsewhere and shall do all acts and things necessary, including payment of fees, to give effect to such registration, recording or filing or to such future grant of patent.

6.7.5 Each Chargor must perform its obligations under this Clause 6.7 promptly and efficiently so as to ensure that the particulars of this Deed and of the Security Trustee's interests are recorded as soon as practicable after receipt of a written request to do so.

6.7.6 Each Chargor hereby appoints the Security Trustee to act as its agent, at such Chargor's expense, to prepare all such documents and do all things necessary, in the event that such Chargor fails to comply with its obligations under this Clause 6.7.

## 6.8 Delivery of share certificates

6.8.1 After the Senior Discharge Date, each Chargor shall, as soon as reasonably practicable, and in any event within 3 Business Days of the date of receipt of written request from the Security Trustee, deposit with the Security Trustee (or procure the deposit of):

- (a) all certificates or other documents of title to such Shares;
- (b) stock transfer forms in such form as the Security Trustee shall require with the name of the transferee, the consideration and the date kept blank but otherwise duly completed and executed by or on behalf of such Chargor in relation to such Shares; and
- (c) to the extent that any of the Shares are held by any nominee of a Chargor, a duly executed nominee undertaking relating to such Shares together with such instruments of transfer (with the name of the transferee, the consideration and the date left blank, but otherwise duly completed and executed) and other documents as the Security Trustee may from time to time require for perfecting its title to such Shares.

6.8.2 To the extent not previously provided (or required to be provided), each Chargor shall, within 3 Business Days of the accrual, offer or issue of any Derivative Assets, notify the Security Trustee of that occurrence and, if requested by the Security Trustee (subject always to the terms of the Senior Intercreditor Deed) procure the prompt delivery to the Security Trustee of:

- (a) all certificates or other documents of title representing such Derivative Assets; and
- (b) such stock transfer forms or other instruments of transfer with the name of the transferee, the consideration and the date left blank (but otherwise duly completed and executed by or on behalf of such Chargor) in respect of such Derivative Assets as the Security Trustee may request.

## **7 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

### **7.1 Negative pledge**

Subject to Clause 7.3 and to the terms of the Senior Intercreditor Deed, during the Security Period, no Chargor shall create, extend or permit to subsist any security over any of the Secured Assets save for the Permitted Security, nor may it:

- 7.1.1 sell, transfer or otherwise dispose of any of its assets on terms that they are or may be leased to or re-acquired by any of the Chargors or by any other member of the Group;
- 7.1.2 sell, transfer or otherwise dispose of any of its receivables;
- 7.1.3 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or
- 7.1.4 enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of borrowing monies or otherwise raising indebtedness (whether actual or contingent and whatever the nature, structure or characteristic of the arrangement or transaction under which the relevant liability arises) or of financing the acquisition of an asset.

### **7.2 Restrictions on disposals**

Subject to the terms of the Senior Intercreditor Deed, during the Security Period, no Chargor shall sell, transfer or otherwise dispose of its interest (whether legal or beneficial) over any of the:

- 7.2.1 Secured Assets (other than the Floating Charge Assets); or

7.2.2 Floating Charge Assets following crystallisation under Clause 4.4 (Conversion of floating charge) or 4.6 (Automatic conversion of floating charge),

save, in each case, any Permitted Disposal.

### 7.3 Exceptions

Clauses 7.1 (Negative Pledge) and 7.2 (Restrictions on disposals) do not apply:

7.3.1 to the security created or required to be created by this Deed; or

7.3.2 to any security or transaction to which the Security Trustee has given its written consent.

## 8 REPRESENTATIONS AND WARRANTIES

Each Chargor represents and warrants to the Security Trustee on the date of this Deed and on each day upon which any monies comprised in the Secured Obligations fall due for payment or are paid and on each Quarter Day which falls during the Security Period as follows:

### 8.1 Status

it is a limited liability company, duly incorporated and validly existing under the laws of England and Wales and has the power to own its assets and carry on its business and other activities as they are being conducted;

### 8.2 Power and enforceability

it has the power to enter into this Deed and to perform its obligations and exercise its rights under it and the obligations expressed to be assumed by it under this Deed are (and at all relevant times have been) legal, valid, binding and enforceable obligations (subject to the principle that equitable remedies are discretionary and subject to any applicable insolvency laws);

### 8.3 No Event of Default

8.3.1 no Event of Default has occurred or is continuing or might reasonably be expected to result from the execution of this Deed or from effect being given to its provisions; and

8.3.2 no person who holds any security of a kind mentioned in Clause 7.3 (Exceptions) over any asset of such Chargor has enforced or given notice of its intention to enforce such security;

### 8.4 Non-conflict with other obligations

neither the execution of this Deed by such Chargor, nor such Chargor's compliance with its terms will:

8.4.1 conflict with or result in any breach of any law or regulation applicable to it;

8.4.2 cause any limitation on any of its powers or on the right or ability of its directors to exercise those powers to be exceeded; nor

8.4.3 constitute a default, acceleration of payment or termination event (however described) under any agreement or instrument binding upon it;

## 8.5 Authorisations

all Authorisations required or desirable for the execution, delivery, issue, validity or enforceability of this Deed or of the performance of such Chargor's obligations or the exercise of its rights under this Deed have been obtained and have not been (and such Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn or varied in whole or part;

## 8.6 Matters affecting Shares

8.6.1 the Shares specified in Clause 4 ~~Error Reference source not found~~ opposite its name are at the date of this Deed the only Shares legally and beneficially owned by it;

8.6.2 subject to the security created by this Deed and as permitted by the Senior Intercreditor Deed, it is and will remain the sole beneficial owner of the Shares and (save where the Shares have been registered in the name of the Security Trustee or its nominee pursuant to the provisions of this Deed) it and/or its nominee is and will remain the absolute legal owner of the Shares (in respect of the shares of the Target, after the share transfer is duly stamped by HMRC and the share transfer being registered in the register of Target);

8.6.3 the Shares are fully paid and, subject to the terms of the Senior Intercreditor Deed, neither the Shares nor the Distribution Rights are subject to any lien, charge, equity, encumbrance, option to purchase or similar rights of any person other than the Security Trustee; and

8.6.4 subject to the terms of the Senior Intercreditor Deed, the Security Trustee is entitled to be registered or to require a nominee to be registered as member of each of the relevant companies to which such Shares relate without any right of the board of directors of any such company to refuse registration or to consent to such registration only subject to satisfaction of conditions.

## 9 UNDERTAKINGS

Each Chargor undertakes to the Security Trustee in the terms of the following provisions of this Clause 9, all such undertakings to commence on the date of this Deed and to continue throughout the Security Period:

### 9.1 Perform

it will at all times comply with the terms of this Deed;

### 9.2 Not to jeopardise security

it will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Security Trustee of the security constituted by this Deed;

### 9.3 Maintenance

it will keep the Secured Assets which are material to its business in a good and substantial state of repair, working order and condition;

### 9.4 Insurance

9.4.1 it will obtain, maintain and renew (all at its own expense) insurance indemnity or similar cover with reputable insurance companies or underwriters in respect of its business and assets against such risks and to the extent as is usual for companies carrying on the same or substantially similar business; and

9.4.2 it will promptly pay all premiums and other sums necessary to effect and maintain the Insurances required by this Deed and will on demand produce to the Security Trustee the Insurances and evidence that the premiums and other sums have been paid;

#### 9.5 Chattels - notice of charge

Subject to the terms of the Senior Intercreditor Deed, if so requested by the Security Trustee it will place and maintain on each chattel the value of which exceeds £10,000 and which is subject to a fixed charge under this Deed, in a conspicuous place, an identification marking as appears below and not conceal, alter or remove such marking or permit it to be concealed, altered or removed:

"Notice of Charge

This [specify the chattel] and additions and ancillary equipment are subject to a fixed charge in favour of [insert name of Security Trustee]";

#### 9.6 Maintain Material Intellectual Property

9.6.1 it will observe and perform all covenants and stipulations from time to time affecting the Material Intellectual Property or the mode of use or the enjoyment of the same, make all payments, carry out all registrations or renewals and generally take all such steps as may be necessary to preserve, maintain and renew when necessary all Material Intellectual Property;

9.6.2 it will not do (or fail to do) anything or permit anything to be done, if that might infringe any Material Intellectual Property owned or used by it or affect the existence or value of any such Material Intellectual Property or its right or ability to use it;

#### 9.7 Collection of book debts, etc.

it will, subject to the terms of the Senior Intercreditor Deed:

9.7.1 after this Deed has become enforceable, collect all Charged Debts and pay into such specially designated account with the Security Trustee or such other account with such other bank as the Security Trustee may from time to time direct all money which it shall receive in respect of such Charged Debts forthwith on receipt and pending such payment it will hold all such money upon trust for the Security Trustee;

9.7.2 not, without the prior written consent of the Security Trustee, charge, factor, discount or assign any of the Charged Debts, in favour of any other person or purport to do so, save for any Permitted Security or Permitted Disposal;

9.7.3 procure that the bank or financial institution with whom the Collection Account attributable to it is maintained or where such other Bank Balances are held has received a notice in the form set out in Schedule 8 and has issued a receipt and confirmation in respect of that notice as provided in such form; and

9.7.4 after this Deed has become enforceable not, without the prior written consent of the Security Trustee, withdraw all or any monies from time to time standing to the credit of the Collection Account attributable to it;

#### 9.8 Shares and other Investments

9.8.1 it will pay all calls or other payments due and payable in respect of any of the Shares and if it fails to do so the Security Trustee may pay the calls or other payments on its behalf;

9.8.2 save with the prior written consent of the Security Trustee, it will not:

- (a) take any action by or as a consequence of which the rights attaching to the Shares are altered or diluted or the issued capital of any of the companies whose Shares are charged by this Deed increased;
  - (b) participate in any rights issue relating to the Investments; nor
  - (c) apply for, or consent to, the conversion of any Investments held in certificated form into uncertificated form;
- 9.8.3 forthwith upon request by the Security Trustee and subject to the terms of the Senior Intercreditor Deed, it will provide to the Security Trustee particulars of such Shares in which it is interested and will give such instructions and enter into such documents as the Security Trustee may reasonably require to perfect the security over such Shares created by this Deed;
- 9.8.4 forthwith upon request by the Security Trustee and subject to the terms of the Senior Intercreditor Deed, it will deliver to the Security Trustee (or as it shall direct) all bearer instruments, share certificates and other documents of title to or evidence of ownership of the Investments and/or the Distribution Rights owned by it or in which it has an interest together with (in the case of Shares, other than bearer instruments, held in certificated form) instruments of transfer in respect of each of the same executed in blank (except for the number and class of Shares and the name of the transferor) and left undated;
- 9.8.5 subject to the terms of the Senior Intercreditor Deed, the Security Trustee may at any time after this Deed has become enforceable, complete the instruments of transfer in respect of any or all Investments on behalf of such Chargor in favour of itself or such other person as it shall select, and such Chargor shall procure that such instruments of transfer are forthwith registered in the relevant Company and that share certificates in the name of the Security Trustee and/or its nominee(s) in respect of the Investments to which such instrument of transfer relates are delivered to the Security Trustee as soon as reasonably practicable, but in any event no later than 5 days after the date upon which the Security Trustee has delivered the relevant instrument of transfer;
- 9.8.6 until the occurrence of an Event of Default but not thereafter while such Event of Default is continuing, each Chargor:
- (a) will be entitled to receive and retain all dividends, distributions, interest and other monies paid on or derived from the Investments;
  - (b) will be entitled to exercise all voting and other rights and powers attaching to the Shares, provided that it will not exercise any such voting rights or powers in a manner which would prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Deed; and
  - (c) shall give to the Security Trustee reasonable notice of the manner in which it proposes to exercise the rights and powers referred to in Clause 9.8.6(b);
- 9.8.7 upon the occurrence of an Event of Default and while it is continuing any dividends, distributions interest or other monies paid on or derived from the Investments will be received by such Chargor on trust for the Security Trustee and paid into a separate account or otherwise dealt with as directed by the Security Trustee, and such Chargor shall if the Security Trustee so requires thereafter exercise all voting and other rights and powers attaching to the Shares as the Security Trustee shall direct;

9.8.8 at any time when any Investments are registered in the name of the Security Trustee or its nominee and for so long as there is no Event of Default which is continuing the Security Trustee will (so far as is consistent with the security created by this Deed) exercise any applicable voting or other rights and powers in accordance with the directions of such Chargor and account to such Chargor for any dividends, payments or other distributions attributable to such Investments, but upon the occurrence of an Event of Default and so long as it is continuing the Security Trustee may exercise or refrain from exercising such voting or other rights and powers as it thinks fit and may retain any such dividends, payments or other distributions, but in any case the Security Trustee will not be under any duty to ensure that any dividend, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee or to verify that the correct amounts are paid or received by it or its nominee or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments;

#### 9.9 Access

it will permit the Security Trustee and its professional advisers, agents and contractors free access at all reasonable times and on reasonable notice (at the risk and cost of such Chargor) to the premises, assets, books, accounts and records of such Chargor;

#### 9.10 Deposit of documents

9.10.1 it will promptly at the request of the Security Trustee deposit with the Security Trustee (or as the Security Trustee may direct):

- (a) all deeds and documents of title relating to the Property including official copies of Land Registry entries, counterpart leases, licences, and any other deeds or documents necessary or desirable to assist the Security Trustee to enforce the security created by this Deed; and
- (b) all such other documents relating to the Secured Assets as the Security Trustee may from time to time reasonably require.

9.10.2 A breach of clause 9.10.1 will not arise if there are no documents of title in respect of any part of the charged property or if such documents have been delivered to, and are held at the relevant time by, a bank or financial institution in accordance with, or in respect of, any Senior Finance Documents.

#### 9.11 Retention of documents

Subject to the terms of the Senior Intercreditor Deed, the Security Trustee may retain any document delivered to them pursuant to Clause 9.10 (Deposit of Documents) or otherwise until the Discharge Date and if, for any reason it ceases to hold any such document before such time, it may by notice to such Chargor require that the relevant document be redelivered to it and such Chargor must immediately comply (or procure compliance) with such notice;

#### 9.12 Power to remedy

if such Chargor fails to comply with any of the covenants and undertakings set out or referred to in Clauses 9.1 to 9.10 inclusive it will allow (and hereby irrevocably authorises) the Security Trustee and/or such persons as the Security Trustee nominates to take such action (including the making of payments) on behalf of such Chargor as is necessary to ensure that such covenants are complied with;

**9.13 Expenses**

it will pay all Expenses within 5 Business Days of receipt of a written demand from the Security Trustee.

**9.14 Indemnity**

it will indemnify the Security Trustee and will keep the Security Trustee indemnified against all losses and Expenses incurred by the Security Trustee as a result of a breach by such Chargor of its obligations under Clauses 9.1 to 9.10 inclusive and in connection with the exercise by the Security Trustee of its rights contained in Clause 9.12 above (Power to remedy). All sums the subject of this indemnity will be payable by such Chargor to the Security Trustee within 5 Business Days of receipt of a written demand from the Security Trustee.

**10 ENFORCEABILITY**

For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable and this Deed will become immediately enforceable and the powers of the Security Trustee and any Receiver will become exercisable on the date of this Deed, but, as between the Security Trustee and each Chargor, the power of sale shall be exercisable only upon the occurrence of an Event of Default that is continuing and for so long as it is continuing (unless there has been a request from such Chargor to the Security Trustee for the appointment of a Receiver, in which case it will be exercisable at any time following the making of such request).

**11 ENFORCEMENT OF SECURITY**

**11.1** At any time after the Security Trustee's power of sale has become exercisable, the Security Trustee may without further notice:

**11.1.1** appoint one or more than one Receiver in respect of the Secured Assets or any of them and if more than one Receiver is appointed the Receiver may act jointly and severally or individually; or

**11.1.2** take possession of the Secured Assets; or

**11.1.3** in its absolute discretion enforce all or any part of the security created by this Deed in such other lawful manner as it thinks fit.

**11.2** The Security Trustee may remove the Receiver and appoint another Receiver and the Security Trustee may also appoint an alternative or additional Receiver.

**11.3** The Receiver will, so far as the law permits, be the agent of each Chargor and such Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Security Trustee will not be responsible for any misconduct, negligence or default of the Receiver.

**11.4** The powers of the Receiver will continue in full force and effect following the liquidation of any Chargor.

**11.5** The reasonable remuneration of the Receiver may be fixed by the Security Trustee but will be payable by the relevant Chargor. The amount of the remuneration will form part of the Secured Obligations.

**11.6** The Receiver will have the power on behalf and at the cost of each Chargor:

**11.6.1** to do or omit to do anything which he considers appropriate in relation to the Secured Assets; and

- 11.6.2 to exercise all or any of the powers conferred on the Receiver or the Security Trustee under this Deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision).
- 11.7 Without prejudice to the general powers set out in Clause 11.6 a Receiver will also have the powers and discretions set out in Schedule 10.
- 11.8 The Security Trustee or any Receiver may sever any Fixtures from the Property and sell them apart from the Property without taking possession of the Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Obligations.
- 11.9 If the Security Trustee or the Receiver obtains possession of the Property, the Security Trustee or the Receiver may use and remove, store or sell any chattels on the Property, whether or not forming part of the Secured Assets, without being under any liability to any Chargor other than to account for their net proceeds of the sale. All Expenses and liabilities incurred by the Security Trustee or the Receiver in connection with the removal, storage and sale of such chattels will form part of the Secured Obligations.
- 11.10 If (notwithstanding any representation or warranty to the contrary contained in this Deed) there shall be any security affecting the Secured Assets or any of them which ranks in priority to the security created by this Deed and the holder of such prior security takes any steps to enforce such security, the Security Trustee or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such security.
- 11.11 The Security Trustee may, at any time after this Deed has become enforceable pursuant to Clause 10 (Enforceability), exercise, to the fullest extent permitted by law, all or any of the powers authorities and discretions conferred on a Receiver by this Deed, whether as attorney of any Chargor or otherwise and whether or not a Receiver has been appointed.
- 11.12 The Security Trustee may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this Deed.
- 11.13 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charges created under this Deed.

## **12 RIGHT OF APPROPRIATION**

- 12.1 To the extent that:
- 12.1.1 the Secured Assets constitute Financial Collateral; and
- 12.1.2 this Deed and the obligations of any Chargor under it constitute a Security Financial Collateral Arrangement,
- the Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Obligations in any order that the Security Trustee may, in its absolute discretion, determine.
- 12.2 The value of any Secured Assets appropriated in accordance with this clause shall be:
- 12.2.1 in the case of cash, the amount standing to the credit of each Chargor's accounts with any bank, financial institution or other person, together with all interest accrued but unposted, at the time the right of appropriation is exercised; and

12.2.2 in the case of Investments, the price of those Investments at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Security Trustee may select (including independent valuation).

12.3 Each Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

### **13 APPLICATION OF PROCEEDS**

#### **13.1 Recoveries by Receiver**

Subject to the terms of the Senior Intercreditor Deed, the proceeds arising from the exercise of the powers of the Receiver will, subject to any claims ranking in priority to the Secured Obligations, be applied by or at the direction of the Receiver in or towards discharging or satisfying, in the following order of priority:

13.1.1 the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;

13.1.2 any costs, charges, expenses and liabilities of or incurred by any Enforcement Party in the exercise of any of its powers including all rents, taxes, rates and outgoings whatever affecting the Secured Assets, all premiums on Insurances properly payable under this Deed or any applicable statute, the cost of executing necessary or proper repairs to the Secured Assets, and the payment of annual sums or other payments, and the interest on all principal sums, having priority to the Secured Obligations;

13.1.3 the Secured Obligations, in accordance with the provisions of the Finance Documents and otherwise in such order as the Security Trustee may determine; and

13.1.4 the claims of those persons entitled to any surplus.

#### **13.2 Right of appropriation**

The Security Trustee is entitled to appropriate money and/or assets to Secured Obligations in such manner or order as it thinks fit and any such appropriation shall override any appropriation by any Chargor.

#### **13.3 Suspense Account**

The Security Trustee may place (for such time as it thinks prudent) any money received by it pursuant to this Deed to the credit of a separate or suspense account (without liability to account for interest thereon) for so long and in such manner as the Security Trustee may from time to time determine without having any obligation to apply that money or any part of it in or towards discharge of the Secured Obligations.

### **14 PROTECTION OF THIRD PARTIES**

#### **14.1 No duty to enquire**

A buyer from, tenant or other person dealing with any Enforcement Party will not be concerned to enquire whether any of the powers which it has exercised or purported to exercise has arisen or become exercisable and may assume that it is acting in accordance with this Deed.

#### **14.2 Receipt conclusive**

The receipt of the Security Trustee or any Receiver shall be an absolute and a conclusive discharge to a purchaser of the Secured Assets and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or any Receiver.

## **15 PROTECTION OF ENFORCEMENT PARTIES**

### **15.1 Exclusion of liability**

- 15.1.1 No Enforcement Party will be liable to any Chargor for any expense, loss, liability or damage incurred by such Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers, except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.
- 15.1.2 No Chargor may take any proceedings against any officer, employee or agent of any Enforcement Party in respect of any claim it might have against such Enforcement Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed.
- 15.1.3 Any officer, employee or agent of any Enforcement Party may rely on this Clause 15 under the Third Parties Act.

### **15.2 Effect of possession**

If the Security Trustee or any Receiver enters into possession of the Secured Assets or any of them, this will not oblige either the Security Trustee or the Receiver to account as mortgagee in possession, and if the Security Trustee enters into possession at any time of the Secured Assets or any of them it may at any time at its discretion go out of such possession.

### **15.3 Chargor's indemnity**

Each Chargor agrees with the Security Trustee to indemnify the Security Trustee and any Receiver or Delegate on demand against any costs, loss or liability incurred by any of them in respect of:

- 15.3.1 any exercise of the powers of the Security Trustee or the Receiver or any attempt or failure to exercise those powers; and
- 15.3.2 anything done or omitted to be done in the exercise or purported exercise of the powers under this Deed or under any appointment duly made under the provisions of this Deed.

## **16 POWER OF ATTORNEY**

### **16.1 Grant of power**

Each Chargor irrevocably and by way of security appoints the Security Trustee and each Receiver and any person nominated for the purpose by the Security Trustee or the Receiver (in writing, under hand, signed by the Security Trustee or by the Receiver) severally to be the attorney of such Chargor (with full power of substitution and delegation) for the purposes set out in Clause 16.2 below.

### **16.2 Extent of power**

The power of attorney granted in Clause 16.1 above allows the Security Trustee, the Receiver or such nominee, in the name of the relevant Chargor, on its behalf and as its act and deed to:

- 16.2.1 subject to the terms of this Deed, perfect the security given by such Chargor under this Deed; and
- 16.2.2 execute, seal and deliver (using such Chargor's seal where appropriate) any document or do any act or thing which such Chargor has agreed to execute or do under this Deed and which case it has failed to perform or which the Security Trustee, the Receiver or such nominee may reasonably deem proper or for the purpose of exercising any such rights, powers, authorities and discretions,

in each case, where the relevant Chargor has failed to take such action itself within 5 Business Days of being notified in writing by the Security Trustee.

### 16.3 Ratification

Each Chargor covenants with the Security Trustee to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this Clause 16.

## 17 APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS

### 17.1 Application of statutory covenants

The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind a Chargor only if, in any case, the relevant covenant imposes upon such Chargor a burden, liability or obligation that would not otherwise arise under this Deed.

### 17.2 Conditions applicable to power of sale etc.

17.2.1 For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of Clause 10 (Enforceability)), the conditions set out in that section as to when such powers arise do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this Deed; and

17.2.2 the Security Trustee and any Receiver may exercise the statutory power of sale conferred by the LPA free from the restrictions imposed by section 103 of the LPA, which shall not apply to this Deed.

### 17.3 Extension of powers of sale, etc.

17.3.1 The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Security Trustee in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this Deed.

17.3.2 The Security Trustee and any Receiver shall also have and enjoy all the other powers, privileges, rights and protections conferred by the LPA and the Insolvency Act on mortgagees, receivers or administrative receivers (each as amended and extended by this Deed and whether or not a receiver or administrative receiver has been appointed) but so that if there is any ambiguity or conflict between the powers contained in such statutes and those contained in this Deed, those contained in this Deed shall prevail.

### 17.4 Consolidation of mortgages

The restriction on the consolidation of mortgages in Section 93 of the LPA does not apply to this Deed nor to any security given to the Security Trustee pursuant to this Deed.

### 17.5 Powers of leasing, etc - Chargor

The statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by any Chargor in relation to the Secured Assets or any part thereof.

### 17.6 Powers of leasing, etc - Security Trustee

The restrictions on the powers of the Security Trustee or the Receiver to grant leases or to accept the surrender of leases in sections 99 and 100 of the LPA do not apply to this Deed.

17.7 LPA provisions relating to appointment of Receiver

Section 109(1) of the LPA shall not apply to this Deed.

17.8 Application of proceeds

Sections 105, 107(2), 109(6) and 109(8) of the LPA will not apply to the Security Trustee nor to a Receiver appointed under this Deed.

**18 PROTECTION OF SECURITY**

18.1 Powers, rights and remedies cumulative

The powers, rights and remedies provided in this Deed are in addition to (and not instead of) powers, rights and remedies under law.

18.2 Exercise of powers, rights and remedies

If an Enforcement Party fails to exercise any power, right or remedy under this Deed or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power right or remedy again, fully or in part.

18.3 Discretion

18.3.1 The Security Trustee may decide:

- (a) whether and, if so, when, how and to what extent (i) to exercise its rights under this Deed and (ii) to exercise any other right it might have in respect of any Chargor (or otherwise); and
- (b) when and how to apply any payments and distributions received for its own account under this Deed, and no Chargor has the right to control or restrict the Security Trustee exercise of its discretion.

1.1.2 No provision of this Deed will interfere with the Security Trustee's rights to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated.

18.4 Set-off and combination of accounts

18.4.1 No right of set-off or counterclaim may be exercised by any Chargor in respect of any payment due to the Security Trustee under this Deed.

18.4.2 The Security Trustee may at any time after this Deed has become enforceable and without notice to a Chargor:

- (a) combine or consolidate all or any of such Chargor's then existing accounts with, and liabilities to, the Security Trustee;
- (b) set off or transfer any sums standing to the credit of any one or more of such accounts; and/or
- (c) set-off any other obligation owed by the Security Trustee to such Chargor (whether or not matured at such time), in or towards satisfaction of any of the Secured Obligations. The Security Trustee will notify such Chargor in writing that such a transfer has been made.

- (d) If any amount is in a different currency from the amount against which it is to be set off, the Security Trustee may convert either amount (or both) at any reasonable time and at any reasonable rate.

#### 18.5 Power to establish new account

If the Security Trustee receive notice of a subsequent mortgage or charge relating to the Secured Assets, it will be entitled to close any account and to open a new account in respect of the closed account. If the Security Trustee does not open such new account, it will in any event be treated as if it had done so at the time when it received such notice.

#### 18.6 Information

Each Chargor authorises the holder of any prior or subsequent security to provide to the Security Trustee, and the Security Trustee to receive from such holder, details of the state of account between the holder and such Chargor.

#### 18.7 Avoidance of settlements and other matters

18.7.1 Any payment made by a Chargor, or settlement or discharge between such Chargor and the Security Trustee, is conditional upon no security or payment to the Security Trustee by such Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Security Trustee's other rights under this Deed) the Security Trustee shall be entitled to recover from such Chargor the value which the Security Trustee has placed upon such security or the amount of any such payment as if such payment, settlement or discharge had not occurred.

18.7.2 If the Security Trustee, acting reasonably, considers that any amount paid by a Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in Clause 18.7.1, then for the purposes of this Deed such amount shall not be considered to have been irrevocably paid.

#### 18.8 Waiver of immunity

To the extent that any Chargor may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process of any kind wherever it might originate or to the extent that in any such jurisdiction there may be attributed to such Chargor or its assets such immunity (whether or not claimed), it hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction.

#### 18.9 Time Deposits

Without prejudice to the provisions of Clause 18.4 (Set-off and combination of accounts), if during the Security Period a time deposit matures on any account which any Chargor holds with the Security Trustee and an Event of Default has arisen which is continuing but no amount of Secured Obligations has fallen due and payable such time deposit shall be renewed for such further maturity as the Security Trustee may in its absolute discretion determine.

#### 18.10 Perpetuity Period

The perpetuity period applicable to the trusts created by this Deed is 80 years.

## **19 COMMUNICATIONS**

- 19.1 Each notice, consent and other communication in respect of this Deed will be effective only if made by letter or e-mail, delivered to the relevant address or e-mail address specified on the execution page(s) of this Deed (or to any substitute address or e-mail address notified in writing by the relevant Party for this purpose) and marked for the attention of the specified department/individual, if applicable. Each communication by letter will be effective only if delivered by hand, sent by first class post (if sent from and to an address in the UK) or sent by airmail (if sent from or to an address elsewhere).
- 19.2 Each communication will become effective as follows (references to times are to times in the place of delivery of the communication):
- 19.2.1 a hand-delivered letter will be effective as soon as it is delivered (or, if it is delivered after 5pm or on a day that is not a Business Day, it will be effective at 9am on the next Business Day);
  - 19.2.2 a letter sent by post from and to an address in the UK will be effective at 9am on the second Business Day after it is posted and a letter sent by airmail from or to an address elsewhere will be effective at 9am on the tenth Business Day after it is posted
  - 19.2.3 an e-mail will be effective at 9am on the Business Day after it was sent ; and
  - 19.2.4 each communication to the Security Trustee will become effective only when actually received by the Security Trustee.

## **20 ASSIGNMENT AND TRANSFER**

### **20.1 No assignment by Chargor**

No Chargor shall assign, novate or otherwise deal with its rights or obligations under or interests in this Deed, except with the prior written consent of the Security Trustee.

### **20.2 Transfer by the Security Trustee**

- 20.2.1 Save as otherwise provided in the Finance Documents, the Security Trustee may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this Deed.
- 20.2.2 The Security Trustee may disclose any information about any Chargor, the Secured Assets and/or this Deed to any person to whom they propose to assign, novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this Deed, or with whom they propose to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests.
- 20.2.3 Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this Deed in the same way as if it had been a Party instead of the Security Trustee.

## **21 GOVERNING LAW AND SERVICE OF PROCESS**

### **21.1 Governing law**

This Deed is governed by English law.

## 21.2 Jurisdiction

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) (**Dispute**). Each Party agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly neither Party will argue to the contrary. This Clause 21 is for the benefit of the Enforcement Parties only. As a result, no Enforcement Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, each Enforcement Party may take concurrent proceedings in any number of jurisdictions.

## 22 THIS DEED

### 22.1 Consideration

Each Chargor has entered into this Deed in consideration of the Security Trustee agreeing to provide (or to continue to provide) finance facilities to it on the terms agreed between them in the Finance Documents.

### 22.2 Execution of this Deed - counterparts

If the Parties execute this Deed in separate counterparts, this Deed will take effect as if they had all executed a single copy.

### 22.3 Execution of this Deed - formalities

This Deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

### 22.4 Amendments and waivers

Any provision of this Deed may be amended only if the Security Trustee and the Chargors so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Trustee so agrees in writing. A waiver given or consent granted by the Security Trustee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

### 22.5 Partial invalidity

22.5.1 If, at any time, any provision of this Deed is or is found to have been illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this does not affect the legality, validity or enforceability of the other provisions of this Deed, nor the legality, validity or enforceability of the affected provision under the law of any other jurisdiction.

22.5.2 If any Party is not bound by this Deed (or any part of it) for any reason, this does not affect the obligations of each other Party under this Deed (or under the relevant part).

### 22.6 Other security

This Deed is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other security or guarantee which the Security Trustee may now or at any time after the date of this Deed hold for or in respect of the Secured Obligations.

### 22.7 Ownership of this Deed

This Deed and every counterpart is the property of the Security Trustee.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

**SCHEDULE 1****The Original Chargers**

<b>Name of Parent</b>	<b>Place of Incorporation</b>	<b>Registered Number</b>	<b>Registered Office</b>
Mentor Holdings Limited	England and Wales	14658115	575-599 Maxted Road, Hemel Hempstead Industrial Estate, Hemel Hempstead, England, HP2 7DX
Mentor Group Limited	England and Wales	02767629	Building 4 Foundation Park, Roxborough Way, Maidenhead, SL6 3UD
Travel Safety Limited	England and Wales	10471968	Building 4 Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

**SCHEDULE 2**

**Bank accounts**

*This Schedule has been intentionally left blank.*

**SCHEDULE 3**

**Details of Property**

<b>Name of Chargor</b>	<b>Premises at:</b>	<b>Tenure</b>	<b>Registered at HM Land Registry under Title No.</b>
Intentionally blank			

**SCHEDULE 4**

**Shares**

	<b>Chargor</b>	<b>Name of Company in which Shares will be held immediately following acquisition of the Target by the Parent</b>	<b>Number and classes of shares held</b>
1.	The Parent	Mentor Group Limited	14,937 B ordinary shares of £1.556 each 21,404 B ordinary shares of £0.56 each 5,353 B ordinary shares of £1.21 each 698 B ordinary shares of £1.00 each 2,715 E ordinary shares of £1.00 each 806 F ordinary shares of £1.556 each 1,318 A ordinary shares of £1.00 each
3.	Mentor Group Limited	Travel Safety Limited	45,000 ordinary A shares of £0.001 each 11,250 ordinary B shares of £0.001 each 45,000 ordinary C shares of £0.001 each 81,405 ordinary D shares of £0.001 each

**SCHEDULE 5**

**Specifically identified chattels**

Intentionally blank

## SCHEDULE 6

### Form of Notice of Assignment of Insurances

To: [Insurer]

Date: [●]

To whom it may concern,

We hereby give you notice that we have assigned to Christopher James Norton (the "Security Trustee") pursuant to a debenture entered into by us in favour of the Security Trustee dated [●] 2023(subject to a provision for reassignment) all our right, title and interest in and to the proceeds of [insert description and number of relevant insurance policy] (the "Policy").

With effect from the date of your receipt of this notice we instruct you to:

- 1 make all payments and claims under or arising from the Policy (in accordance with the terms of that Policy) to us until such time as you receive notice from the Security Trustee instructing you that an "Enforcement Event" has occurred ("Payment Notice"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any claims and payments under or arising from the Policy as set out in such Payment Notice; and
- 2 disclose to the Security Trustee, without further approval from us, such information regarding the Policy as the Security Trustee may from time to time request and to send it copies of all notices issued by you under the Policy.

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

This notice and all matters including non-contractual obligations arising out of or in connection with it are governed by English law. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Christopher James Norton (acting in his capacity as security trustee) c/o Field Seymour Parkes LLP, 1 London Street, Reading, RG1 4PN marked for the attention of Alex Illingworth.

Yours faithfully

For and on behalf of  
[Chargor]

To: Christopher James Norton (acting in his capacity as Security Trustee)

Date: [●]

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

For and on behalf of [Insurer]

By:

## SCHEDULE 7

### Form of Notice of Assignment of Specific Contract

To: [Counterparty]

Date: [●]

To whom it may concern,

We hereby give you notice that we have assigned to Christopher James Norton ("**Security Trustee**") pursuant to a debenture entered into by us in favour of the Security Trustee dated [●] 2023 all our right, title and interest in and to [insert details of contract] (the "**Contract**") including all monies which may be payable to us in respect of the Contract.

With effect from the date of your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be made to us until such time as you receive notice from the Security Trustee instructing you that an "Enforcement Event" has occurred ("Payment Notice"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any payments to be made under or arising from the Contract as set out in the Payment Notice;
- 2 upon your receipt of a Payment Notice from the Security Trustee:
  - 2.1 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Trustee;
  - 2.2 all rights to compel performance of the Contract are exercisable by the Security Trustee although we shall remain liable to perform all the obligations assumed by it under the Contract; and
  - 2.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Trustee to the exclusion of us and no changes may be made to the terms of the Contract;
- 3 you are authorised and instructed, without requiring further approval from us, to provide the Security Trustee with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Trustee as well as to us; and
- 4 these instructions may not be revoked without the prior written consent of the Security Trustee.

This notice and all matters including non-contractual obligations arising out of or in connection with it are governed by English law. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to Christopher James Norton (acting in his capacity as security trustee c/o Field Seymour Parkes LLP, 1 London Street, Reading, RG1 4PN marked for the attention of Alex Illingworth.

Yours faithfully

For and on behalf of  
[Chargor]

To: Christopher James Norton (acting in his capacity as Security Trustee)

Date: [●]

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that no revocation of the Contract shall be effective without the prior written consent of the Security Trustee.

For and on behalf of [Counterparty]

By

## SCHEDULE 8

### Form of notice to bank operating secured account

To: [name and address of account bank] (**Account Bank**)

Dated: [●]

Dear Sirs

Re: **Account No:** [insert account number] (**Account**)

**Account Branch** [insert branch name and address]

**Account Holder:** [name of Chargor] (**Chargor**)

We hereby notify you that by a deed of guarantee and debenture dated [●] 2023 (**Debenture**) made by the Chargor in favour of Christopher James Norton (acting in its capacity as security trustee (**Security Trustee**)) the Chargor has charged to the Security Trustee, all its right, title and interest in the monies from time to time standing to the credit of the Account [and of any other accounts from time to time maintained with you by the Chargor] (**Charged Account[s]**) and to all interest (if any) accruing on the Charged Account[s].

We hereby irrevocably and unconditionally authorise and instruct you to:

- 1 hold all monies from time to time standing to the credit of the Charged Account[s] to the order of the Security Trustee and accordingly to pay all or any part of those monies to the Security Trustee (or as they may direct) promptly following receipt of written instructions from the Security Trustee to that effect;
- 2 disclose to the Security Trustee such information relating to the Chargor and the Charged Account[s] as the Security Trustee may from time to time request you to provide;
- 3 comply with the terms of any written notice or instruction relating to the Charged Accounts received by you from the Security Trustee.

We also advise you that following an Event of Default that is continuing (as that term is defined in the Debenture):

- 3.1 the Chargor may not withdraw any monies from the Charged Account[s] without first having produced to you the prior written consent of the Security Trustee to such withdrawal; and
- 3.2 the provisions of this Notice may only be revoked or varied with the prior written consent of the Security Trustee.

Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to the Chargor) by way of your confirmation that:

- A. you agree to act in accordance with the provisions of this notice;
- B. you have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Account[s] or otherwise granted any security or other interest over those monies in favour of any third party; and
- C. you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Account[s] [except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Trustee].

By counter-signing this notice the Security Trustee confirms that the Chargor may make withdrawals from the Charged Account[s] until such time as the Security Trustee shall notify you (with a copy to the Chargor)

in writing that such permission is withdrawn. Such permission may be withdrawn or modified by the Security Trustee in its absolute discretion at any time.

The provisions of this notice are governed by English law.

Yours faithfully

for and on behalf of [Chargor]

Countersigned by

for and on behalf of

.....

Christopher James Norton  
The Security Trustee

To: Christopher James Norton

Copy to: [name and address of Chargor)

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraphs A, B and C above.

for and on behalf of

[name and address of Bank]

Dated: [●] 2023

## SCHEDULE 9

### Form of Deed of Accession

**DATE** [●]

#### **PARTIES**

- 1 [●] (No. [●]) whose registered office is at [●] (**Additional Chargor**).
- 2 **Mentor Holdings Limited**, incorporated and registered in England and Wales with company number 14658115 whose registered office is at 575-599 Maxted Road, Hemel Hempstead Industrial Estate, Hemel Hempstead, England, HP2 7DX for itself and as agent for and on behalf of each of the other Chargors named in the Debenture referred to below (**Company**).
- 3 **Christopher James Norton** of 18 Mellis Avenue, Richmond, TW9 4BQ as Security Trustee for the Secured Parties on the terms and conditions set out in the Security Trust Deed (the "Security Trustee").

#### **BACKGROUND**

- 3.1 The Additional Chargor is a wholly owned subsidiary of the Company.
- 3.2 The Company entered into a deed of guarantee and debenture dated [date] January 2023 (as supplemented and amended by Deeds of Accession or otherwise from time to time, the **Debenture**) made between amongst others the Company, each of the other companies named therein as Chargors, and the Security Trustee.
- 3.3 The Additional Chargor has at the request of the Company and in consideration of the Security Trustee making or continuing to make facilities available to the Company or any other member of the Group determined to enter into this Deed and thereby become an Additional Chargor under the Debenture.
- 3.4 The Security Trustee holds the benefit of this Deed on trust for the Secured Parties on the terms of the Security Trust Deed.

#### **AGREED TERMS:**

##### **4 DEFINITIONS**

Terms defined and construed (whether directly or by reference) in the Debenture shall have the same meaning and construction in this Deed.

##### **5 ACKNOWLEDGEMENT**

The Additional Chargor acknowledges that:

- 5.1 it has given due consideration to the terms and conditions of the Finance Documents (including the Debenture) and has satisfied itself that there are reasonable grounds for believing that by executing this Deed the Additional Chargor will derive commercial benefit; and
- 5.2 that it enters into this Deed in good faith and for the purposes of its business.

##### **6 AGREEMENT**

The Additional Chargor hereby agrees to accede and become a party to and to be bound by the terms of the Debenture as a Chargor with immediate effect.

## **7 EFFECT OF ACCESSION**

The Debenture shall henceforth be read and construed for all purposes as if the Additional Chargor had been an original party thereto in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed).

## **8 REPRESENTATIONS, WARRANTIES ETC**

The Additional Chargor hereby gives and agrees and undertakes to be bound by all the representations, warranties, covenants, undertakings, indemnities and agreements in the Debenture which are expressed to be given by or binding on a Chargor.

## **9 GRANT OF SECURITY**

### **9.1 Full title guarantee**

All the security created or given by the Additional Chargor, whether under this Deed or by the Debenture is given and made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### **9.2 Implied Covenants**

The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind the Additional Chargor only if, in any case, the relevant covenant imposes upon the Additional Chargor a burden, liability or obligation that would not otherwise arise under this Deed or the Debenture.

### **9.3 General provisions**

All the security created or given by the Additional Chargor, whether under this Deed or by the Debenture is granted in favour of the Security Trustee as a continuing security for the payment, discharge and performance of the Secured Obligations.

### **9.4 Security over all assets**

The Additional Chargor now grants to the Security Trustee in relation to its assets and undertaking the same mortgages, charges, assignments and other security as are set out in Clause 4 (Charging clause) of the Debenture, to the intent that its mortgages, charges, assignments and other security shall be effective and binding upon it and its assets and undertaking and shall not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Debenture or of any other party's execution of the Debenture or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Debenture or in any other Deed of Accession.

### **9.5 Specific security**

Without limiting the generality of Clause 8.4 (Security over all assets) or of the Debenture, the Additional Chargor:

9.5.1 charges by way of fixed charge all plant and machinery, vehicles and computers listed in Clause 4, and the benefit of all contracts, licences and warranties relating to any of such chattels;

9.5.2 confirms that for the purposes of the fixed charge over the Investments (if any) now belonging to it set out at Clause 4.1.4 of the Debenture such charge shall extend to those Shares listed in the Schedule to this Deed together with all Distribution Rights from time to time accruing thereto or thereon;

9.5.3 (confirms that for the purposes of Clause 4.1.2 (Fixed charge on plant and machinery) and Clause 4.1.3 (Fixed charge on other chattels) of the Debenture it specifically

identifies those chattels owned by it and listed in Schedule 5 (Error! Reference source not found.).

**10 AGREEMENT AND CONSENT BY CHARGORS**

The Company, for itself and as agent for and on behalf of all other Chargors under the Debenture, hereby agrees and consents to all matters provided for in this Deed.

**11 CONSTRUCTION**

The Debenture shall continue in full force and effect but amended with effect from the date of this Deed in the manner and to the extent provided in this Deed; and the Debenture and this Deed shall henceforth be read as one and so that references in the Debenture to **this Deed, herein** and similar phrases shall be deemed to include this Deed.

**12 GOVERNING LAW**

This Deed shall be governed by and construed in all respects in accordance with English law.

**13 OWNERSHIP OF DEED**

This Deed and every counterpart is the property of the Security Trustee.

**This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.**

**THE SCHEDULE**

**Shares**

<b>Chargor</b>	<b>Name of Company in which Shares are held</b>	<b>Class of Shares</b>	<b>Number of Shares held</b>	<b>Issued Capital</b>	<b>Share</b>

**SIGNATORIES TO DEED OF ACCESSION**

**The Additional Chargor**

EXECUTED as a DEED  
by [ ]  
acting by a director

in the presence of:

Witness signature

Witness name

Address

---

---

Occupation

---

**The Security Trustee**

EXECUTED as a DEED  
by **CHRISTOPHER JAMES NORTON**

in the presence of:

Witness signature

Witness name

Address

---

---

Occupation

---

**The Company**

**EXECUTED as a DEED  
by MENTOR HOLDINGS LIMITED  
acting by a Director**

in the presence of:

Witness signature

Witness name

Address

---

Occupation

---

---

## **SCHEDULE 10**

### **Receiver's specific powers**

The Receiver will have full power and authority:

#### **1 POSSESSION**

- 1.1 to enter upon, take possession of the Secured Assets; and
- 1.2 to collect and get in all rents, fees, charges or other income of the Secured Assets;

#### **2 CARRY ON BUSINESS**

generally to manage the Secured Assets and to manage or carry on, reconstruct, amalgamate, diversify or concur in carrying on the business of the relevant Chargor or any part of it as they may think fit;

#### **3 SALE AND DISPOSAL**

without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with and dispose of the Secured Assets or any property acquired in exercise of its powers under this Deed;

#### **4 ACQUISITION**

- 4.1 to purchase or acquire any land and purchase, acquire or grant any interest in or right over land;
- 4.2 to take a lease or tenancy of any property required or convenient for the business of the relevant Chargor or the exercise of the Receiver's powers under this Deed;

#### **5 LEASES**

to exercise on behalf of the relevant Chargor and without the consent of or notice to such Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to leasehold property, landlord and tenant, rents, housing or agriculture in respect of the Property;

#### **6 BORROWING**

for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and/or for defraying any losses or Expenses which may be incurred by him in their exercise or for any other purpose, to raise or borrow moneys from the Security Trustee or others or incur any other liability on such terms, whether secured or unsecured, as he may think fit, and whether to rank in priority to this security or not;

#### **7 EMPLOYMENT ETC.**

to appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this Deed or to guard or protect the Secured Assets upon such terms as to remuneration or otherwise as he may think fit and to discharge any such persons appointed by the relevant Chargor prior to his appointment;

#### **8 LEGAL ACTIONS AND COMPROMISES**

- 8.1 in the name of the relevant Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to such Chargor, the business of such Chargor or the Secured Assets as in any case he shall think fit;

8.2 to settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the relevant Chargor or relating in any way to the Secured Assets;

**9 RECEIPTS**

to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Secured Assets;

**10 WORKS AND MAINTENANCE**

to obtain Authorisations for and to carry out on the Property any new works or complete any unfinished works of development, building, reconstruction, maintenance, repair, renewal, improvement, furnishing or equipment;

**11 CONTRACTS**

to enter into, vary, cancel or waive any of the provisions of any contracts which he shall in any case think expedient in the interests of the relevant Chargor or the Security Trustee;

**12 SUPPLIES**

to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;

**13 INSURANCES AND BONDS**

to insure the Secured Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver shall think fit, and obtain bonds and give indemnities and security to any bondsmen;

**14 SEVERANCE RIGHTS**

to sever fixed plant, machinery or other Fixtures and store, sell or otherwise deal with them separately from the Property to which they may be annexed;

**15 CHATTELS**

to remove, store, sell or otherwise deal with any chattels located at the Property;

**16 FORM COMPANY**

16.1 to promote or establish any company or to acquire shares in any company (whether as a subsidiary of the relevant Chargor or otherwise) to facilitate the exercise of his powers under this Deed;

16.2 to transfer to any such company all or any of the Secured Assets or other assets acquired by the Receiver in exercise of his powers;

16.3 to exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company;

**17 VOTING RIGHTS**

to exercise all voting and other rights attaching to the Investments and all other stocks, shares and securities owned by the relevant Chargor and comprised in the Secured Assets in such manner as he may think fit;

**18 CALLS**

to make, or require the directors of the relevant Chargor to make, calls conditionally or unconditionally on the members of such Chargor in respect of uncalled capital; and take action to enforce payment of unpaid calls;

**19 TRANSACTION**

to carry into effect and complete any transaction;

**20 REDEEM SECURITY**

to redeem any prior security (or procure the transfer of such security to an Enforcement Party) and settle and pass the accounts of the person entitled to the prior security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver; and

**21 GENERAL**

either in the name of the relevant Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Secured Assets.

## SCHEDULE 11

### Guarantee and indemnity

#### 1 GUARANTEE AND INDEMNITY

1.1 The Guarantee is binding on the Chargors and each of them as a continuing security for the full amount which is now or in the future becomes due or owing to the Security Trustee and shall remain in full force and effect notwithstanding:

1.1.1 any payments from time to time made to the Security Trustee;

1.1.2 any notice of determination by any Chargor; or

1.1.3 any settlement of account or any other thing whatsoever.

1.2 If for any reason the Guarantee shall cease to be a continuing security, the Security Trustee may either continue any then existing account(s) or open one or more new accounts for any of the Chargors, but in any case the obligations of each Chargor under the Guarantee at the date the Guarantee ceases to be a continuing security shall remain unaffected by and be computed without regard to any payment into or out of any such account.

1.3 The liabilities of each Chargor to the Security Trustee under the Guarantee shall not be discharged, impaired or in any way affected as a result of:

1.3.1 any time or indulgence or waiver given to, or composition made with any of the Chargor or any other person;

1.3.2 any other right, remedy, guarantee, mortgage or other security held by or available to the Security Trustee being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Trustee from time to time dealing with, exchanging, varying, realising, releasing or failing to perfect or enforce any of the same;

1.3.3 the insolvency, receivership, liquidation, administration of or analogous proceedings relating to any of the Chargors or any other person;

1.3.4 any amendment, novation, variation or modification to, or replacement or restatement of the Loan Note Instruments or any agreement or arrangement recording or securing or comprising the Secured Obligations (in each case however fundamental and whether or not more onerous);

1.3.5 the taking, variation, compromise, renewal or release or refusal or neglect to perfect or enforce any rights, remedies or securities against any of the Chargors or any other person; or

1.3.6 any other act, omission, circumstance, matter or thing which but for this paragraph 1.3 might operate to discharge, impair or otherwise affect the obligations of any Chargor under the Guarantee whether in whole or in part.

1.4 The Guarantee (and the obligations of each Chargor) shall continue in full force and effect notwithstanding:

1.4.1 the fact that any purported obligation of any of the Chargors or any other person to the Security Trustee (or any security for any such obligation) becomes wholly or partly illegal, invalid or unenforceable in any respect whether or not known to the Security Trustee or the relevant Chargor;

1.4.2 any incapacity or any change in the constitution of, or any amalgamation or reconstruction of, any Chargor or any other person or any other matter whatsoever;

- 1.4.3 the failure of any Chargor to be bound by the Guarantee for any reason whatsoever.
- 1.5 Without prejudice to the generality of any other provision of this paragraph 1, the Chargors expressly confirm that they intend that the Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Loan Note Instruments or any other document relating to the Secured Obligations and/or any facility or amount made available under the Loan Note Instruments for the purposes of or in connection with any of the following:
- 1.5.1 acquisitions of any nature;
  - 1.5.2 increasing working capital;
  - 1.5.3 enabling investor distributions to be made;
  - 1.5.4 carrying out restructurings;
  - 1.5.5 refinancing existing facilities;
  - 1.5.6 refinancing any other indebtedness;
  - 1.5.7 making facilities available to new borrowers;
  - 1.5.8 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
  - 1.5.9 any fees, costs and/or expenses associated with any of the above.
- 1.6 Subject to paragraph 1.9, until all the Secured Obligations have been irrevocably paid and discharged in full, no Chargor will:
- 1.6.1 be subrogated to or otherwise entitled to participate in, any security or monies held, received or receivable by the Security Trustee or be entitled to any right of contribution in respect of any payment made by any Chargor under this deed;
  - 1.6.2 exercise or enforce any of its rights of subrogation and indemnity against any other Chargor;
  - 1.6.3 following a claim being made on a Chargor under this deed, demand or accept repayment of any monies due from any of the Chargors to it or claim any set-off or counterclaim against any of the Chargors;
  - 1.6.4 claim or prove in a liquidation or other insolvency proceeding of any of the Chargors in competition with the Security Trustee.
- 1.7 Following the making of a demand under the Guarantee, each Chargor will (at its own cost) promptly take such steps or action as the Security Trustee may from time to time stipulate.
- 1.8 Each Chargor shall promptly pay to the Security Trustee an amount equal to any set-off, proof or counterclaim exercised by it against any other Chargor and shall hold in trust for and promptly pay or transfer to the Security Trustee any payment or distribution or benefit of security in fact received by it whether arising as a result of a breach of this paragraph 1 or compliance with directions given under paragraph 1.9.
- 1.9 If the Security Trustee (on the basis of legal advice received by it for this purpose) reasonably considers that any amount paid by a Chargor in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of any Chargor or otherwise, then such amount shall not be considered to have been paid for the purposes of the Guarantee.

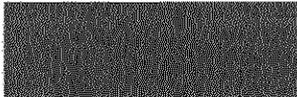
- 1.10 Any release, settlement or discharge between any Chargor and the Security Trustee shall be conditional upon no payment, assurance or security received by the Security Trustee from such Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment (English or foreign) relating to insolvency, liquidation or analogous circumstances in force from time to time and accordingly (but without limiting the other rights of the Security Trustee under this deed), the Security Trustee shall be entitled to recover from such Chargor the value which the Security Trustee (or any of them) have placed upon such security or the amount of any such payment as if such release, settlement or discharge had not occurred.
- 1.11 Except in respect of the refinancing of the Secured Obligations by a third party financier as a result of which the Secured Obligations are repaid in full (but not in part only) to the Security Trustee, the Security Trustee may, following the discharge of all the Secured Obligations, retain any security held by them under this deed until they are satisfied that the Security trustee will not have to make any repayment under any law referred to in paragraph 1.12.
- 1.12 The Guarantee is and will remain the property of the Security Trustee after any release or settlement of any Chargor's liability to the Security Trustee.
- 1.13 For the purposes of the liability of each Chargor to the Security Trustee under the Guarantee (including the liability of each Chargor for interest) every sum of money which may now or in the future be or become due or owing to the Security Trustee (or would have become so due or owing were it not for the liquidation or insolvency of any other company) shall be deemed to continue due and owing to the Security Trustee until the same shall be actually repaid to the Security Trustee notwithstanding the winding up or insolvency of any company or any other event.
- 1.14 The Guarantee shall constitute the primary obligations of each of the Chargors and the Security Trustee shall not be obliged to make a demand on any Chargor before enforcing its rights against any other Chargor under the Guarantee.
- 1.15 The Guarantee given by each Chargor shall be construed as if it were a separate guarantee and indemnity by each Chargor in respect of the obligations owed by each other Chargor to the Security Trustee.
- 1.16 Each Chargor agrees and consents to be bound by the terms of the Guarantee notwithstanding that one or more of the other Chargors which was or were intended to execute this Guarantee may not do so or may not be bound by it for any reason.
- 1.17 This Guarantee is in addition to, and is not in any way prejudiced by, any other guarantee or security at the date of this guarantee or subsequently held by the Security Trustee.

**SIGNATURE PAGES**

**The Original Chargors**

Executed as a deed by **MENTOR HOLDINGS LIMITED**  
acting by two directors or a director in the presence of:

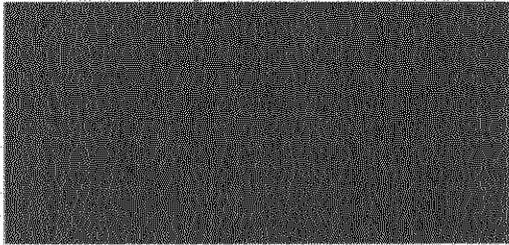
Signature (Witness)



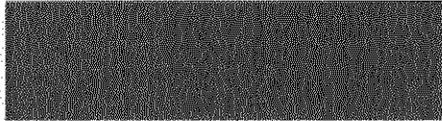
Print Name

*JEREMY PARKER*

Address



Occupation

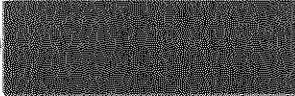


Director

.....  
Director

Executed as a deed by **MENTOR GROUP LIMITED**  
acting by two directors or a director in the presence of:

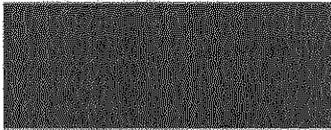
Signature (Witness)



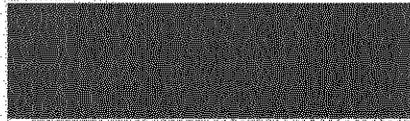
Print Name

*JEREMY PARKER*

Address



Occupation

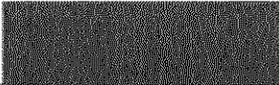


Director

.....  
Director

Executed as a deed by **TRAVEL SAFETY LIMITED**  
acting by two directors or a director in the presence of:

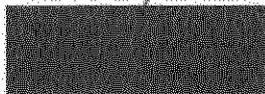
Signature (Witness)



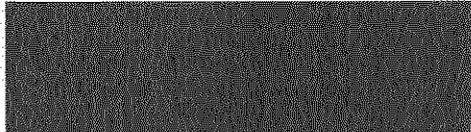
Print Name

*JEREMY PARKER*

Address



Occupation

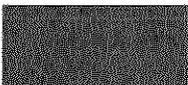


Director

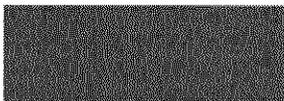
.....  
Director

**The Security Trustee**

Executed as a deed by **CHRISTOPHER JAMES NORTON** (acting in his capacity as Security Trustee for the Secured Parties) in the presence of:

  
.....  
C Norton 

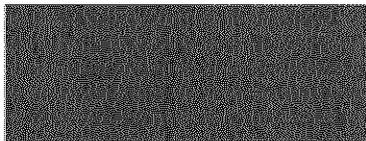
Signature (Witness)



Print Name

*JEREMY PARKES*

Address



Occupation