



Registration of a Charge

Company name: **PCF GROUP HOLDINGS LIMITED**

Company number: **02794633**



X572XR4W

Received for Electronic Filing: **16/05/2016**

Details of Charge

Date of creation: **06/05/2016**

Charge code: **0279 4633 0003**

Persons entitled: **BERMUDA COMMERCIAL BANK LIMITED**

Brief description: **NONE.**

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ASHURST LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2794633

Charge code: 0279 4633 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th May 2016 and created by PCF GROUP HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th May 2016 .

Given at Companies House, Cardiff on 17th May 2016

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**



EXECUTION VERSION

Assignment of Cash Deposits

The companies listed in schedule 1
as the Charging Companies

and

Bermuda Commercial Bank Limited
as BCB

6th May 2016

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THIS DEED is made on 6th May 2016

BETWEEN:

- (1) **THE COMPANIES** listed in schedule 1 (Charging Companies) as the charging companies (the "**Charging Companies**"); and
- (2) **BERMUDA COMMERCIAL BANK LIMITED** a limited liability company governed by the laws of Bermuda, having its registered office at 19 Par-la-Ville Road, Hamilton HM 11, Bermuda and registered with the Registrar of Companies of Bermuda under number LC 1404, regulated by the Bermuda Monetary Authority, and registered under CUSIP ISIN number G10341108 ("**BCB**").

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed:

"Assigned Agreements" has the definition given to it in a security over agreements dated on or around the date of this deed between the Charging Companies and BCB;

"Accounts" means the bank accounts listed in schedule 2 (Accounts) and any other bank account which is designated as an Account by the relevant Charging Company and BCB, and any replacement account or any sub-division or sub-account of those accounts;

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"Business Day" means a day (other than a Saturday or a Sunday) on which banks and financial markets are open in London and Bermuda for the transaction of business of the nature required by this agreement;

"Charged Property" means the assets mortgaged, charged or assigned to BCB by this deed;

"Delegate" means any delegate, agent, attorney or co-trustee appointed by BCB;

"Event of Default" means an Event of Default under the Overdraft Document and/ or any Note Document;

"Floating Charge Asset" means an asset charged under clause 3.1 (Floating Charge);

"Group" means Private & Commercial Finance Group plc and each of its Subsidiaries;

"Legal Reservations" means (i) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court, (ii) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors generally, (iii) the time-barring of claims under any applicable limitation laws and (iv) rules against penalties and similar principles;

"Material Adverse Effect" means, in the reasonable opinion of BCB, a material adverse effect on:

- (a) the business, operations or condition (financial or otherwise) of the Group taken as a whole; or

- (b) the ability of an Obligor to perform its obligations under the Overdraft Document and/ or any Note Document; or
- (c) the validity or enforceability, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to this deed or the rights or remedies of BCB under the Overdraft Document and/or any Note Document;

"Note Documents" means the Note Instrument and each Note;

"Note Instrument" means the instrument constituting a secured Sterling loan note equal to the Sterling equivalent of \$100,000,000 issued by PCF Group Holdings Limited dated after the date of this deed;

"Notes" means the Sterling 5% secured extendible loan notes to be issued by PCF Group Holdings Limited under the Note Instrument;

"Obligor" means the Charging Companies and Private & Commercial Finance Group PLC;

"Original Financial Statements" means:

- (a) the audited, consolidated financial statements of Private & Commercial Finance Group plc for the financial year ending 31 March 2015; and
- (b) the latest audited or unaudited financial statements of each Obligor for the financial year ending 31 March 2015;

"Overdraft Document" means the offer of financing contract in relation to a £675,000 overdraft facility made between BCB and PCF Credit Limited dated on or around the date of this deed in order to assist with PCF Credit Limited's liquidity requirements pending agreement of the Note Instrument;

"Perfection Requirements" means any and all registrations, filings, notices and other actions and steps required to be made in any jurisdiction in order to perfect security granted by this deed in order to achieve the relevant priority for such Security;

"Receiver" means a receiver or receiver and manager in each case appointed under this deed;

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

- (a) any monies and proceeds paid or payable in relation to that asset; and
- (b) the benefit of all other rights, powers, claims, consents, contracts, warranties, security, guarantees, indemnities or covenants for title in respect of that asset;

"Secured Obligations" means all present and future liabilities and obligations at any time due, owing or incurred by the Obligors to BCB under the Overdraft Document and/ or any Note Document, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity except for any money or liability which, if it were so included, would cause the infringement of section 678 or 679 of the Companies Act 2006;

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

"Subsidiary" means any of:

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006;

- (b) a subsidiary within the meaning of section 1162 of the Companies Act 2006;
- (c) an entity of which a person has direct or indirect control or owns, directly or indirectly, more than 50 per cent. of the voting capital or similar right of ownership and "control" for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract, or otherwise; and
- (d) an entity treated as a subsidiary in the financial statements of PCF Group Holdings Limited; and

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

1.2 Construction

- (a) In this deed, unless a contrary intention appears, a reference to:
 - (i) words and expressions defined in the Overdraft Document and/ or the Note Instrument have the same meanings when used in this deed unless otherwise defined in this deed;
 - (ii) **"assets"** includes present and future properties, revenues and rights of every description;
 - (iii) **"including"** means including without limitation and **"includes"** and **"included"** shall be construed accordingly;
 - (iv) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) **"losses"** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **"loss"** shall be construed accordingly;
 - (vi) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing;
 - (vii) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (viii) a provision of law is a reference to that provision as amended or re-enacted; and
 - (ix) any clause or schedule is a reference to, respectively, a clause of and schedule to this deed and any reference to this deed includes its schedules.
- (b) Section, clause and schedule heading are for ease of reference only.
- (c) The parties intend that this document shall take effect as a deed, notwithstanding the fact that a party may only execute it under hand.

1.3 Save where a contrary intention appears, in this agreement:

- (a) a reference to the Charging Company, an Obligor, or BCB is, where relevant, deemed to be a reference to or to include, as appropriate, their respective permitted successors or assigns;
- (b) references to clauses and schedules are references to, respectively, clauses of and schedules to this agreement and references to this agreement include its schedules;
- (c) a reference to (or to any specified provision of) any agreement, deed or other instrument (including the Overdraft Document and Note Documents) is to be construed as a reference to that agreement, deed or other instrument or that provision as it may have been or hereafter be, from time to time, amended, varied, supplemented, restated or novated but excluding for this purpose any amendment, variation, supplement or modification which is contrary to any provision of any of the Overdraft Document and Note Documents;
- (d) a reference to a statute or statutory instrument or accounting standard or any provision thereof is to be construed as a reference to that statute or statutory instrument or accounting standard or such provision thereof as the same may have been, or may from time to time hereafter be, amended or re-enacted;
- (e) a time of day is a reference to London time;
- (f) the index to and the headings in this agreement are inserted for convenience only and are to be ignored in construing this agreement; and
- (g) words importing the plural shall include the singular and vice versa.

1.4 **Third Party Rights**

- (a) Any Receiver or Delegate will have the right to enforce the provisions of this deed which are given in its favour however the consent of a Receiver or Delegate is not required for the rescission or variation of this deed.
- (b) Subject to paragraph (a), a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed.

2. **COVENANT TO PAY**

The Charging Companies as primary obligors covenant with BCB that they will on demand pay the Secured Obligations when they fall due for payment.

3. **CHARGING CLAUSE**

3.1 **Floating Charge**

The Charging Companies, as security for the payment and discharge of the Secured Obligations, charge by way of first floating charge in favour of BCB with full title guarantee all of their right, title and interest in the Accounts and all Related Rights.

3.2 **Conversion of Floating Charge**

- (a) Subject to paragraph (b) below, if:
 - (i) an Event of Default has occurred; or

(ii) BCB is of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy; or

(iii) BCB considers that it is desirable to protect the priority of the security,

BCB may, by notice to any Charging Company, convert the floating charge created under this deed into a fixed charge as regards those assets which it specifies in the notice.

(b) The floating charge created under this deed may not be converted into a fixed charge solely by reason of the obtaining of a moratorium under section 1A of the Insolvency Act 1986 in relation to a Charging Company, or anything done with a view to obtaining such a moratorium.

3.3 Automatic Conversion of Floating Charge

If:

(a) any Charging Company creates (or purports to create) any Security in breach of clause 5.6 (Negative Pledge) over any Floating Charge Asset; or

(b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset,

the floating charge created under this deed over the relevant Floating Charge Asset will automatically and immediately be converted into a fixed charge.

4. FURTHER ASSURANCE

(a) The Charging Companies shall promptly (and at their own expense) do all such acts or execute all such documents (including assignments, transfers, charges, notices and instructions) as BCB may reasonably specify (and in such form as BCB may reasonably require in favour of BCB or its nominee(s)):

(i) to perfect 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 BCB or any Receiver provided by or pursuant to this deed or by law; and/or

(ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this deed.

(b) The Charging Companies shall take all such action as is available to them (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on BCB by or pursuant to this deed.

5. UNDERTAKINGS

5.1 Duration of Undertakings

All of the undertakings given in this deed are given from the date of this deed (or, to the extent they relate to the Note Documents, from the date of such Note Documents') and for so long as any security constituted by this deed remains in force.

5.2 Litigation

Promptly upon becoming aware of them, each Obligor shall deliver to BCB, the details of any litigation, arbitration or administrative proceedings which are current, threatened or

pending against any member of the Group, and which, if adversely determined, are reasonably likely to have a Material Adverse Effect.

5.3 Authorisations and Consents

- (a) It will obtain, comply with and promptly renew from time to time and maintain in full force and effect all such material authorisations, approvals, consents, licences and exemptions, and promptly make and renew from time to time all such filings and registrations, as may be required under any applicable law or regulation (i) to enable it to perform its obligations under the Overdraft Document and Note Documents and (ii) for the validity, enforceability or admissibility in evidence of the Overdraft Document and Note Documents.
- (b) It will promptly attend to the Perfection Requirements.

5.4 Compliance with laws

- (a) Each member of the Group will comply in all respects with all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.
- (b) Each member of the Group has all valid Authorisations required by it to carry on its business as presently conducted.

5.5 Pari Passu Ranking

The Charging Companies will ensure that the payment obligations under the Overdraft Document and Note Documents rank and will at all times rank at least pari passu in right and priority of payment with all its other present and future unsecured and unsubordinated creditors (actual or contingent) except indebtedness preferred solely by operation of law.

5.6 Negative Pledge

The Charging Companies will not create or agree to create or permit to subsist any Security over all or any part of the Charged Property.

5.7 Disposal Restrictions

The Charging Companies will not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer or otherwise dispose of all or any part of the Charged Property.

5.8 Merger

No Charging Company shall enter into any amalgamation, demerger, merger or corporate reconstruction.

5.9 Change of Business

There shall be no substantial change to the general nature of the business of the Charging Companies or its Subsidiaries from that carried on at the date of this agreement unless approved by BCB in writing (such approval not to be unreasonably withheld).

5.10 Preservation of Charged Property

- (a) The Charging Companies will observe and perform all obligations, covenants and stipulations from time to time under the Charged Property, make all payments, carry out all registrations or renewals and generally take all steps which are

necessary to preserve, maintain and renew when necessary or desirable all the Charged Property.

- (b) The Charging Companies will not vary or amend any contract or other document relevant to their interests in any Charged Property where such variation, amendment or waiver would have a material adverse effect on the value of the relevant Charged Property or the rights of BCB, except with the prior consent of BCB.

5.11 Documents Relating to Charged Property

- (a) Without prejudice to any specific requirements in this deed for the delivery of documents, the Charging Companies will promptly deliver to BCB all documents relating to the Charged Property which BCB from time to time reasonably requires.
- (b) BCB may retain any document delivered to it under this deed for so long as any security constituted by this deed remains in force and, if for any reason it returns any document to the Charging Companies (or their nominees) before that time, it may by notice to the Charging Companies require that the relevant document be redelivered to it and the Charging Companies shall promptly comply (or procure compliance) with that notice.

5.12 Information

The Charging Companies shall promptly deliver to BCB such information in relation to any Assigned Agreement as BCB shall require.

6. BANK ACCOUNTS

6.1 Withdrawals

Following an Event of Default, each Charging Company may not withdraw all or any monies from time to time standing to the credit of an Account, except with the prior consent of BCB.

6.2 Perfection of Bank Account Security

The Charging Companies will, promptly following execution of this deed (or, in respect of any Account designated as such after the date of execution of this deed, promptly thereafter):

- (a) give notice (substantially in the form set out in schedule 3 (Form of notice to Account Banks)) to each institution with which it holds any Account (each an "**Account Bank**"), of the Security created by this deed over those Accounts and the negative pledge contained in clause 5.6 (Negative Pledge) and provide evidence satisfactory to BCB (acting reasonably) of the delivery of that notice; and
- (b) use reasonable endeavours to procure that each Account Bank promptly acknowledges that notice by countersigning a copy of it and delivering that copy to BCB.

7. ATTORNEY

- (a) The Charging Companies, by way of security, irrevocably and severally appoint BCB, each Receiver and any person nominated for the purpose by BCB or any Receiver (in writing and signed by an officer of BCB or the Receiver) as their attorney (with full power of substitution and delegation) in their name and on their behalf and as their act and deed to execute, deliver and perfect any deed, agreement or other instrument and to do any act or thing:

- (i) which the Charging Companies are required to do by the terms of the Overdraft Document or Note Documents; and/or
- (ii) which is for the purpose of enabling the exercise of any rights or powers conferred on BCB or any Receiver by the Overdraft Document or Note Documents or by law,

and the Charging Companies covenant with BCB and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

8. **ENFORCEMENT**

8.1 **Exercise of Enforcement Powers**

At any time after an Event of Default has occurred or notice demanding payment of any sum which is then due but unpaid in respect of the Secured Obligations has been given by BCB to the Charging Companies:

- (a) the security created by or pursuant to this deed is immediately enforceable;
- (b) BCB may enforce all or any part of the security and hold, sell or otherwise dispose and/or deal with all or any part of the Charged Property; and
- (c) BCB may exercise all rights and powers conferred by this deed or by statute (as varied or extended by this deed) on BCB or on a Receiver, irrespective of whether BCB has taken possession or appointed a Receiver of the Charged Property.

8.2 **Appointment of Receiver**

- (a) Subject to paragraph (c) below, if:
 - (i) an Event of Default has occurred;
 - (ii) notice demanding payment of any sum which is then due but unpaid in respect of the Secured Obligations has been given by BCB to any Charging Company; or
 - (iii) so requested by the relevant Charging Company,

BCB may by writing under hand appoint any person (or persons) to be a Receiver of all or any part of the Charged Property.
- (b) Section 109(1) of the Law of Property Act 1925 shall not apply to this deed.
- (c) A Receiver may not be appointed solely by reason of the obtaining of a moratorium under section 1A of the Insolvency Act 1986 in relation to a Charging Company, or anything done with a view to obtaining such a moratorium.

8.3 **Appropriation**

- (a) In this deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No. 2) Regulations 2003.
- (b) If:
 - (i) an Event of Default has occurred; or

- (ii) notice demanding payment of any sum which is due but unpaid in respect of the Secured Obligations has been given by BCB to any of the Charging Companies,

BCB may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Obligations.

- (c) BCB must attribute a value to the appropriated financial collateral in a commercially reasonable manner.
- (d) Where BCB exercises its rights of appropriation and the value of the financial collateral appropriated differs from the amount of the Secured Obligations, as the case may be, either:
 - (i) BCB must account to the Charging Companies for the amount by which the value of the appropriated financial collateral exceeds the Secured Obligations; or
 - (ii) the Charging Companies will remain liable to BCB for any amount whereby the value of the appropriated financial collateral is less than the Secured Obligations.

9. EXTENSION AND VARIATION OF STATUTORY POWERS

9.1 Statutory Powers

The powers conferred on mortgagees, receivers or administrative receivers by statute shall apply to the security created by this deed (to the extent possible), unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers conferred by statute and those contained in this deed, those contained in this deed shall prevail.

9.2 Section 101 LPA Powers

The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 shall arise on the date of this deed and for that purpose the Secured Obligations are deemed to have fallen due on the date of this deed.

9.3 Restrictions Disapplied

The restrictions on the consolidation of mortgages and on exercise of the power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this deed.

10. PROTECTION OF THIRD PARTIES

10.1 No Obligation to Enquire

No purchaser from, or other person dealing with, BCB, any Receiver or Delegate shall be obliged or concerned to enquire whether:

- (a) the right of BCB or any Receiver to exercise any of the powers conferred by this deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Obligations remain outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

10.2 Receipt Conclusive

The receipt of BCB or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys or other consideration paid to or by the direction of BCB or any Receiver.

11. PROTECTION OF BCB AND RECEIVER

11.1 Delegation

BCB may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this deed to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. BCB will not be liable or responsible to the Charging Companies or any other person for any losses arising from any act, default, omission or misconduct on the part of any Delegate.

11.2 No Liability

Neither BCB nor any Receiver or Delegate shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his or her gross negligence or wilful default.

11.3 Indemnity

- (a) The Charging Companies jointly and severally shall promptly indemnify BCB and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:
 - (i) acting or relying on any notice, request or instruction which they reasonably believe to be genuine, correct and appropriately authorised;
 - (ii) the taking, holding, protection or enforcement of the security constituted by this deed;
 - (iii) the exercise of any of the rights, powers, discretions, authorities and remedies vested in BCB and each Receiver and Delegate by this deed or by law;
 - (iv) any default by the Charging Companies in the performance of any of the obligations expressed to be assumed by them in this deed;
 - (v) instructing lawyers, accountants, tax advisors, surveyors or other professional advisors or experts as permitted under the Overdraft Document or Note Documents; or
 - (vi) acting as Noteholder, Receiver or Delegate (otherwise, in each case, than by reason of the relevant Noteholder's, Receiver's or Delegate's gross negligence or wilful misconduct).
- (b) The Charging Companies expressly acknowledge and agree that the continuation of their indemnity obligations under this clause 11.3 will not be prejudiced by any release of security or disposal of any Charged Property.
- (c) BCB and every Receiver and Delegate may indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this clause 11.3.

12. APPLICATION OF ENFORCEMENT PROCEEDS

12.1 Order of Application

All proceeds of enforcement received or recovered by BCB or any Receiver pursuant to this deed shall (subject to the claims of any person having prior rights thereto) be applied in the following order notwithstanding any purported appropriation by the Charging Companies;

- (a) in discharging any sums owing to BCB, any Receiver or any Delegate;
- (b) in payment of all costs and expenses incurred by BCB, any Receiver or any Delegate in connection with any realisation or enforcement of the security created by this deed;
- (c) in payment to BCB for application of all amounts outstanding or payable under the Overdraft Document or Note Documents in such manner as BCB shall in its sole discretion determine; and
- (d) the surplus (if any) shall be paid to the Charging Companies or other person entitled to it.

12.2 Suspense Account

- (a) Until the Secured Obligations are paid in full, BCB may place and keep (to the extent possible and for such time as it shall determine) any recoveries or other proceeds of enforcement received pursuant to this deed or otherwise on account of the Charging Companies' liability in respect of the Secured Obligations in an interest bearing separate suspense account, without having any obligation to apply all or any part of the same in or towards discharge of the Secured Obligations.
- (b) If the security created by this deed is enforced at a time when no amount is due under the Overdraft Document or Note Documents but at the time when amounts may or will become due, BCB may pay any recoveries or other proceeds of enforcement into a suspense account.

13. PROTECTION OF SECURITY

13.1 Continuing Security

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing.

13.2 Other Security

- (a) This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or other right which BCB may now or after the date of this deed hold for any of the Secured Obligations.
- (b) This security may be enforced against the Charging Companies without first having recourse to any other rights of BCB.

13.3 Cumulative Powers

- (a) The powers which this deed confers on BCB and any Receiver appointed under this deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate.

- (b) BCB or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever.
- (c) The respective powers of BCB and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

13.4 Amounts Avoided

If any amount paid by the Charging Companies in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of the Charging Companies or otherwise, then for the purposes of this deed that amount shall not be considered to have been paid.

13.5 Discharge Conditional

If any discharge, release or arrangement (whether in respect of the obligations of the Charging Companies or in respect of any security for those obligations or otherwise) is made by BCB in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Charging Companies under this deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

13.6 Waiver of Defences

The obligations of the Charging Companies under this deed will not be affected by an act, omission, matter or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this deed (without limitation and whether or not known to it or BCB) including:

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) the release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of the Overdraft Document, any Note Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under the Overdraft Document, Note Documents or any other document or security; or
- (g) any insolvency or similar proceedings.

13.7 Non-competition

Until all amounts which may be or become payable in respect of the Secured Obligations have been irrevocably paid in full and unless BCB otherwise directs, the Charging Companies will not exercise any rights which they may have by reason of performance by them of their obligations under this deed or by reason of any amounts being payable, or liability arising under this deed:

- (a) to claim any right of indemnity or contribution in respect of any payment made or other satisfaction of the Charging Companies' liabilities under this deed;
- (b) to take the benefit (whether by way of subrogation or otherwise) of any rights of BCB under the Overdraft Document or Note Documents; and/or
- (c) to claim or prove as a creditor of any borrower or co-surety in competition with BCB.

The Charging Companies shall hold any benefit, payment or distribution received by them contrary to this clause 13.7 (Non-competition) on trust for BCB and shall promptly pay or transfer the same to BCB or as BCB may direct for application in accordance with clause 12 (Application of Enforcement Proceeds).

13.8 Subsequent Security - Ruling-off Accounts

If BCB receives notice of any subsequent Security or other interest affecting any of the Charged Property it may open a new account for the Charging Companies in its books. If it does not do so then (unless it gives express notice to the contrary to the Charging Companies), as from the time it receives that notice, all payments made by the Charging Companies to it shall (in the absence of any express appropriation to the contrary) be treated as having been credited to a new account of the Charging Companies and not as having been applied in reduction of the Secured Obligations.

13.9 Redemption of Prior Charges

BCB may, at any time after an Event of Default has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Charging Companies. The Charging Companies will on demand pay to BCB all principal monies and interest and all losses incidental to any such redemption or transfer.

14. COSTS AND EXPENSES

14.1 Initial Expenses

The Charging Companies shall on demand pay to each of BCB and any Receiver the amount of all costs and expenses (including legal fees) reasonably incurred by any of them (and, in the case of BCB, by any Delegate) in connection with:

- (a) the negotiation, preparation, printing, execution, completion and perfection of this deed and any other documents referred to in, or incidental to, this deed; and
- (b) any amendment, waiver or consent relating to this deed (and documents, matters or things referred to in this deed).

14.2 Enforcement Expenses

The Charging Companies shall, within three Business Days of demand, pay to each of BCB and any Receiver the amount of all costs and expenses (including legal fees) incurred by BCB or that Receiver in connection with the enforcement of or the preservation of any rights under (and any documents referred to in) this deed and any proceedings instituted by or against BCB as a consequence of taking or holding the security created by this deed or enforcing these rights.

14.3 Stamp Duties, etc.

The Charging Companies shall pay and, within three Business Days of demand, indemnify BCB against any cost, loss or liability BCB incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this deed.

15. SET-OFF

- (a) BCB may set off any matured obligation due from an Obligor under the Overdraft Document or Note Documents against any matured obligation owed by BCB to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, BCB may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (b) If the relevant obligation or liability of the Charging Companies is unliquidated or unascertained, BCB may set-off the amount which it estimates (in good faith) will be the final amount of that obligation or liability once it becomes liquidated or ascertained.

16. ASSIGNMENT BY BCB

BCB may at any time assign or otherwise transfer all or any part of its rights under this deed in accordance with the Note Instrument.

17. CURRENCY

17.1 Conversion

All monies received or held by BCB or any Receiver under this deed may be converted into any other currency which BCB considers necessary to discharge any obligations and liabilities comprised in the Secured Obligations in that other currency at a market rate of exchange then prevailing.

17.2 No Discharge

No payment to BCB (whether under any judgment or court order or otherwise) shall discharge any obligation or liability in respect of which it was made unless and until BCB has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, BCB shall have a further separate cause of action in relation to the shortfall and shall be entitled to enforce the security constituted by this deed to recover that amount.

18. NOTICES

18.1 Mode of Service

Save as specifically otherwise provided in this agreement, any notice, demand or other communication to be served under this agreement will be in writing and will be served only by posting by first class post or by personally delivering the same or sending the same by facsimile transmission to the party to be served at its address, or facsimile number shown immediately after its name on the signature page of this deed or at its registered office or at such other address or number in the United Kingdom as it may from time to time notify in writing to the other party hereto. Any notice, demand or other communication to be served by an Obligor on BCB will be effective only on receipt by BCB and then only if the same is expressly marked for the attention of the department or

officer (if any) identified with BCB's signature (below) (or such other department or officer as BCB may from time to time specify for this purpose).

18.2 Deemed Service

A notice or demand served by first class post will be deemed served when delivered if served personally. A notice or demand sent by facsimile transmission will be deemed served at the time of transmission unless served on a non-Business Day or after 5.00 p.m. London time in which case it will be deemed served at 9.00 a.m. London time on the following Business Day. A notice or demand sent by email will be deemed served 24 hours after sending unless served on a non-Business Day in which case it will be deemed served at 9.00 a.m. London time on the following Business Day.

18.3 Proof of Service

In proving service of any notice it will be sufficient to prove, in the case of a letter, that such letter was properly stamped or franked first class, addressed and placed in the post or, in the case of personal delivery, when left at the correct address and, in the case of a facsimile transmission, that such facsimile was duly transmitted to the facsimile number of the addressee referred to in clause 18.1 (Mode of Service) above.

18.4 Electronic Communication

- (a) Any communication to be made in connection with the Overdraft Document and/ or any Note Document may be made by electronic mail or other electronic means and (including, without limitation, by way of posting to a secure website) if BCB and the Obligors:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made to BCB only if it is addressed in such a manner as BCB shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5.00 p.m. in the place in which the party to whom the relevant communication is sent or made available has its address for the purpose of this agreement shall be deemed only to become effective on the following day.
- (d) Any reference in the Overdraft Document and/ or any Note Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this clause.

19. NO IMPLIED WAIVERS

19.1 Failure to Exercise Rights

No failure or delay by BCB in exercising any right, power or privilege under the Overdraft Document and/ or any Note Document will operate as a waiver thereof nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

19.2 Cumulative Rights

The rights and remedies provided in the Overdraft Document and/ or any Note Document are cumulative and not exclusive of any rights and remedies provided by law.

19.3 Grant of Waivers and Amendments

- (a) A waiver given or consent granted by BCB under this agreement will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
- (b) Any amendment to this agreement may only be made with the consent of BCB and will only be effective if made in writing and signed by both parties to this agreement.

20. MISCELLANEOUS

20.1 Certificates Conclusive

A certificate or determination of BCB as to any amount or rate under this deed is, in the absence of manifest error, conclusive evidence of the matter to which it relates.

20.2 Invalidity of any Provision

If any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

20.3 Counterparts

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

20.4 Covenant to Release

Once all the Secured Obligations have been paid in full and BCB does not have any actual or contingent liability to advance further monies to, or incur liability on behalf of, the Charging Companies under the Overdraft Document or Note Documents, BCB shall, at the request and cost of the Charging Companies, take any action which is necessary to release the Charged Property from the security constituted by this deed.

21. GOVERNING LAW AND JURISDICTION

- (a) This agreement, and any non-contractual obligations arising out of or in connection with it, are governed by English law.
- (b) The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this agreement.
- (c) The parties agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no party will argue to the contrary.

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

SCHEDULE 1
Charging Companies

| Name of Charging Company | Company Number | Jurisdiction |
|---------------------------------|-----------------------|---------------------|
| PCF Group Holdings Limited | 02794633 | England and Wales |
| PCF Credit Limited | 01775045 | England and Wales |

SCHEDULE 2

Accounts

| Account Name | IBAN | SWIFT/BIC | Sort Code | Account Number |
|--------------------------|-------------|------------------|------------------|-----------------------|
| PCF Credit Limited No. 2 | | | | |

SCHEDULE 3

Form of notice to Account Banks

To: [insert name and address of Account Bank] (the "Account Bank")

Dated: ●

Dear Sirs

Re: [insert name of Charging Company] (the "Customer") - Security over Bank Accounts

We notify you that pursuant to

- (a) the offer of financing contract in relation to a £675,000 overdraft facility for short term working capital purposes made between BCB and PCF Credit Limited dated on or around the date of this notice (the "**Overdraft Document**"); and
- (b) an instrument constituting a secured Sterling loan note equal to the Sterling equivalent of \$100,000,000 issued by PCF Group Holdings Limited dated after the date of this notice and the Sterling 5% secured extendible loan notes to be issued by PCF Credit Limited thereunder (the "**Note Documents**"),

we have assigned in favour of Bermuda Commercial Bank Limited (the "**BCB**") for the benefit of itself and certain other parties all our right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice (the "**Charged Accounts**") and to all interest (if any) accruing on the Charged Accounts, as security for certain obligations.

1. We irrevocably authorise and instruct you:

- (a) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of BCB and to pay all or any part of those monies to BCB (or as it may direct) promptly following receipt of written confirmation from BCB that an Event of Default (as defined in the Overdraft Document and/or any Note Document) has occurred; and
- (b) to disclose to BCB any information relating to the Charged Accounts which BCB may from time to time request you to provide.

2. We also advise you that:

- (a) BCB will have signing rights to the Charged Accounts following an Event of Default (as defined in the Overdraft Document and/or any Note Document) and therefore following an Event of Default (as defined in the Overdraft Document and/or any Note Document) we may not withdraw any monies from the Charged Accounts without first having obtained the prior written consent of BCB;
- (b) we have entered into a negative pledge not to create or permit to subsist any subsequent security over the Charged Accounts; and
- (c) the provisions of this notice may only be revoked or varied with the prior written consent of BCB.

3. Please sign and return the enclosed copy of this notice to BCB 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 Customer has assigned or charged its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
- (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 Accounts;
- (d) you acknowledge that the Customer has entered into a negative pledge not to create or permit to subsist any subsequent security over the Charged Accounts; and
- (e) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against the Customer, any right of set-off, counter-claim or other right relating to the Charged Accounts.

The provisions of this notice are governed by English law.

Schedule

Account Number

Sort Code

●

●

Yours faithfully,

.....

Name:

for and on behalf of

[insert name of Charging Company]

Counter-signed by

.....

Name:

for and on behalf of

BERMUDA COMMERCIAL BANK LIMITED

[On acknowledgement copy]

To: Bermuda Commercial Bank Limited
19 Par-la-Ville Road
Hamilton HM 11
Bermuda

Copy to: **[insert name and address of Charging Company]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs 3(a) to (e) above.

.....

Name:

for and on behalf of

[Insert name of Account Bank]

Dated: ●

SIGNATORIES

Charging Companies

Executed as a deed by)
PCF GROUP HOLDINGS LIMITED:)
)
)

Signature of director

Name of director SCOT MANSUR

Signature of witness

Name of witness CHARLOTTE CHALLINOR

Address of witness

Occupation of witness

Notice Details

Address: Pinners Hall, 105-108 Old Broad Street, London, EC2N 1ER
Facsimile: +44 20 7222 2985
Telephone: +44 20 7222 2426
Attention: David Bull and/or Robert Murray

Executed as a deed by
PCF CREDIT LIMITED:

)
)
)
)

Signature of director

Name of director

ROBERT MURRAY

Signature of witness

Name of witness

PETER LARCOMBE

Address of witness

Occupation of witness

Notice Details

Address: Pinners Hall, 105-108 Old Broad Street, London, EC2N 1ER
Facsimile: +44 20 7222 2985
Telephone: +44 20 7222 2426
Attention: David Bull and/or Robert Murray

BCB

Signed for and on behalf of BERMUDA
COMMERCIAL BANK LIMITED:

)
)
)
)

Name: DEBRA SHIELDS / SARA SCHROTER ROSS

Signature of witness

Name of witness

Address of witness

JOANNE EDMUNDS
C/O BERMUDA COMMERCIAL BANK LTD.
19 PAR-LA-VILLE ROAD
HAMILTON HM 11, BERMUDA

Occupation of witness

Notice Details

Address: 19 Par-la-Ville Road, Hamilton HM 11, Bermuda
Facsimile: +1 441 295-4759
Attention: CFO/General Counsel