

MR01

Particulars of a charge

VOS1136/13 Oyez

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


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

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

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

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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

 You **must** enclose a certified copy of the instrument with this fo
scanned and placed on the public record

TUESDAY



LD3 *L2C8105M* 09/07/2013 #66
COMPANIES HOUSE

1 Company details

Company number 0 3 7 9 7 7 4 7

Company name in full AA Corporation Limited

13 For official use

Filing in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 0 2 0 7 2 0 1 3

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

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

Name Deutsche Trustee Company Limited

Name

Name

Name

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

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

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4

Description

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

Continuation page

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

Description

Not applicable

5

Fixed charge or fixed security

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

☐ Yes

☒ No

6

Floating charge

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

☐ Yes Continue

☒ No Go to Section 7

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

☐ Yes

7

Negative Pledge

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

☐ Yes

☒ No

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8

Trustee statement ¹

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

☐

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X Fredy Bawthas Denyer CLP X

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

MR01

Particulars of a charge



Presenter information

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

Contact name

Peter Mason

Company name

Freshfields Bruckhaus Deringer LLP

[076105:0970]

Address

65 Fleet Street

London

England

Post town

United Kingdom

County/Region

Postcode

E

C

4

Y

1

H

S

Country

DX

DX 23 London/Chancery Lane

Telephone

020 7936 4000



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following.

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

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

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

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3797747

Charge code: 0379 7747 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd July 2013 and created by AA CORPORATION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th July 2013.

Given at Companies House, Cardiff on 12th July 2013



Execution Version

DATED: 2 July 2013

AA CORPORATION LIMITED

as Grantor

and

DEUTSCHE TRUSTEE COMPANY LIMITED

as Obligor Security Trustee

SECURITY INTEREST AGREEMENT

in relation to the capital of The Automobile Association Limited

CERTIFIED A TRUE AND COMPLETE COPY
OF THE ORIGINAL

FRESHFIELDS BRUCKHAUS DERINGER LLP
FRESHFIELDS BRUCKHAUS DERINGER LLP
65 FLEET STREET
LONDON
EC4Y 1HS

SAVE FOR MATERIAL REDACTED PURSUANT
TO S859G OF THE COMPANIES ACT 2006



WWW.CAREYOLSEN.COM

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THIS AGREEMENT is made the

2 July

2013

BETWEEN

- (1) **AA CORPORATION LIMITED**, a company incorporated in England and Wales with registered number 03797747 and having its registered office at Fanum House, Basing View, Basingstoke, Hampshire RG21 4EA (the "**Grantor**"), and
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED**, a company incorporated in England and Wales with registered number 00338230 and having its registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB as obligor security trustee for the Obligor Secured Creditors (as defined below) (the "**Obligor Security Trustee**").

WHEREAS

- (A) The Grantor is an Obligor (as defined below) in respect of the Obligor Secured Liabilities (as defined below)
- (B) The Obligor Security Trustee is appointed in its capacity as obligor security trustee pursuant to the terms of the STID (as defined below).
- (C) The Grantor enters into this Agreement as a condition precedent to the advance of the Obligor Secured Liabilities
- (D) The Grantor and the Obligor Security Trustee intend this Agreement to be a security agreement for the purposes of the Law (as defined below)

IT IS HEREBY AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires

"AA Group"	has the meaning given to it in the Master Definitions Agreement,
"Affected Securities"	means the Securities which from time to time comprise or are included in the Collateral,
"this Agreement"	extends to every separate and independent stipulation contained herein and includes any Recitals and Schedules and any amendment or supplement which is for the time being in effect;
"Bankrupt" and "Bankruptcy"	include the meanings attributed to those terms by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other

	state of bankruptcy, insolvent winding up, administration, receivership, administrative receivership or similar status under the laws of any relevant jurisdiction;
"Borrower Account Bank"	has the meaning given to it in the Master Definitions Agreement,
the "Collateral"	means <ul style="list-style-type: none"> (a) the share capital of the Company set out in Schedule 1, (b) any other shares in the Company that may from time to time be beneficially owned by the Grantor, (c) all Derivative Assets, and (d) all the Grantor's right, title and interest from time to time to and in all such Securities and the Derivative Assets,
the "Company"	means The Automobile Association Limited a company incorporated in Jersey with registered number 73356 and having its registered address at 22 Grenville Street, St Helier, Jersey JE4 8PX,
"Derivative Assets"	means all Securities, dividends, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time by way of dividend, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Affected Securities or any Derivative Assets previously described and all rights from time to time thereto,
"Event of Default"	means any of the events listed or referred to in Clause 8,
the "Exchange Rate"	means a rate of exchange between one currency and another which is determined by the Obligor Security Trustee to be a reasonable market rate as at the time that the exchange is effected,
"Finance Documents"	has the meaning given to it in the Master Definitions Agreement,

"FS Law"	means the Financial Services (Jersey) Law 1998 and any subordinate legislation and codes of practice made thereunder,
the "Grantor"	includes the successors or (as the case may be) heirs of the person named as the Grantor above,
"Interest"	means interest at a rate equal to one per cent (1%) above the base lending rate of the Borrower Account Bank,
the "Law"	means the Security Interests (Jersey) Law, 1983,
"Loan Enforcement Notice"	has the meaning given to it in the Master Definitions Agreement;
the "Master Definitions Agreement"	means the master definitions agreement dated on or about the date of this Agreement and made between amongst others, the Grantor and the Obligor Security Trustee;
the "New Law"	means the new Jersey security interests law, known as the "Security Interests (Jersey) Law 2012", at the date of this Agreement adopted by the States of Jersey, sanctioned by order of Her Majesty in Council and registered by the Royal Court but not yet in force, that it is proposed will, subject to savings and transitional provisions, supersede the Law,
the "Notice"	means the notice to be given to the Company in the form set out in Schedule 2,
"Obligor"	has the meaning given to it in the Master Definitions Agreement;
"Obligor Secured Creditors"	has the meaning given to it in the Master Definitions Agreement;
"Obligor Secured Liabilities"	has the meaning given to it in the Master Definitions Agreement;
"Obligor Security Agreement"	has the meaning given to it in the Master Definitions Agreement,
the "Obligor Security Documents"	has the meaning given to it in the Master Definitions Agreement;
"Receiver"	has the meaning given to it in the Master Definitions

Agreement,

"Required Currency"	includes the successors and assigns of the person named as the Obligor Security Trustee above,
the "Secured Obligations"	means the Obligor Secured Liabilities,
"Securities"	include without limitation any property within the definition of "securities" under Article 1(1) of the Law,
the "STID"	means the security trust and intercreditor deed dated on or about the date hereof between, amongst others, the Grantor and the Obligor Security Trustee, and
"Voting Event"	in relation to any particular Affected Securities means service of a notice by the Obligor Security Trustee (either specifying those Affected Securities or generally in relation to all or a designated class of Affected Securities) on the Grantor on or following the delivery of a Loan Enforcement Notice specifying that control over voting rights are to pass to the Obligor Security Trustee, but so that a Voting Event shall not occur unless and until any consent or approval (or similar) of the Jersey Financial Services Commission under the FS Law required for the Obligor Security Trustee to be entitled to exercise or control the exercise of the voting rights attaching to the Affected Securities has been obtained.

1.2 In this Agreement, unless the context otherwise requires

- 1 2 1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*,
- 1 2 2 references to a "Recital", "Clause" or "Schedule" are to a recital, clause or schedule of or to this Agreement,
- 1 2 3 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being and as amended, varied, supplemented, replaced or novated from time to time in accordance with its terms or, as the case may be, with the agreement of the relevant parties,
- 1 2 4 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law;

- 1.2.5 references to a "**person**" include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.6 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Law,
- 1.2.7 the Obligor Security Trustee is "the secured party", the Grantor is "the debtor" and this Agreement is a "security agreement", for the purposes of the Law;
- 1.2.8 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement,
- 1.2.9 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future assets, and
- 1.2.10 in so far as this Agreement relates to the creation of security in favour of the Obligor Security Trustee, this Agreement is entered into subject to the STID and to the extent that any provision of this Agreement is inconsistent with the STID, the STID will prevail, unless this would prejudice the security interests constituted or intended to be constituted by this Agreement, or be contrary to the requirements of the Law Without limitation, the provisions of clause 37 (*Activities of the Obligor Security Trustee*) and clause 38 (*Remuneration and Indemnification of the Obligor Security Trustee*) of the STID shall apply to this Agreement, unless this would prejudice the security interests constituted or intended to be constituted by this Agreement, or be contrary to the requirements of the Law
- 1.3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement
- 2 GRANT OF SECURITY INTERESTS**
- 2.1 To the intent that the Obligor Security Trustee shall have a continuing, first priority, security interest in the Collateral as security for the Secured Obligations in accordance with the Law, the Grantor hereby
- 2.1.1 assigns title to the Collateral to the Obligor Security Trustee, and
- 2.1.2 agrees that, to the extent that the Obligor Security Trustee does not have a security interest in the Affected Securities by way of assignment of title and the giving of notice as required by the Law, the Obligor Security Trustee (and/or some other person chosen by the Obligor Security Trustee to act on its behalf) shall have possession of all certificates of title to all Affected Securities
- 2.2 In accordance with Clause 2.1, and in order to facilitate the exercise of the Obligor Security

Trustee's rights under this Agreement, the Grantor has delivered and shall ensure that in the future there shall promptly be delivered to the Obligor Security Trustee or to its order

2.2.1 the certificates of title to all Affected Securities, and

2.2.2 instruments of transfer in respect of all Affected Securities, duly executed by the holder but otherwise completed or partially completed in such manner as the Obligor Security Trustee requires

2.3 The Obligor Security Trustee may cause, or require, title to any part of the Collateral and/or the said certificates of title to be held by any person on its behalf

2.4 Subject to Clause 2.9, the Obligor Security Trustee may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Obligor Security Trustee for the purpose of completing the above assignment of title to it by way of security or otherwise facilitating the exercise of any of its rights under this Agreement and if the Obligor Security Trustee so requires, the Grantor shall immediately procure entry of the transferee named in such instrument of transfer on the register of members of the Company

2.5 Immediately after the execution of this Agreement the Grantor will execute the Notice and, on execution of such notice by the Obligor Security Trustee, will immediately deliver it to the Company and procure completion and delivery to the Obligor Security Trustee of the acknowledgement thereof by the Company for the purposes of, among other things, Article 2(8) of the Law

2.6 Before the end of one month after the execution of this Agreement, the Grantor will procure that the Company notifies the Jersey Financial Services Commission of the security interest created pursuant to this Agreement.

2.7 This Clause 2.7 applies where pursuant to Clause 2.1 Affected Securities are to be registered in the name of the Obligor Security Trustee (or its nominee). Whether or not the Notice is given, the delivery of an instrument of transfer to the Company and the registration in the register of members of the Company of the Obligor Security Trustee (or its nominee) as the holder thereof shall be taken as having been made and effected on the Obligor Security Trustee's behalf, notwithstanding that the instrument of transfer may have been executed or delivered to the Company by the transferor alone. Any such registration shall, where relevant, also constitute notice to the Company for the purposes of Article 2(8) of the Law

2.8 The Grantor agrees that the Obligor Security Trustee may at any time and from time to time take such further steps (if any) as the Obligor Security Trustee may deem necessary or advisable in order to give the Obligor Security Trustee security interests in the Collateral for the purposes of Article 2(6) and/or Article 2(3) of the Law

2.9 Notwithstanding any other provision of this Agreement, the Obligor Security Trustee may not exercise any of its rights under this Agreement if such exercise would breach the FS Law. The

Obligor Security Trustee agrees to notify the Grantor and the Company as soon as reasonably practicable after it has made any application for the consent or approval of the Jersey Financial Services Commission in accordance with Article 14 of the FS Law

- 2 10 The Grantor covenants with and undertakes to the Obligor Security Trustee for itself and on behalf of the other Obligor Secured Creditors to pay and discharge the Secured Obligations when due

3. FURTHER ASSURANCE AND POWER OF ATTORNEY

- 3 1 The Grantor agrees that from time to time forthwith upon the written request of the Obligor Security Trustee the Grantor shall, at the Grantor's expense, do all acts and execute and deliver to the Obligor Security Trustee all further instruments and documents which the Obligor Security Trustee may require

3 1 1 for the purpose of obtaining the full benefit or intended benefit of this Agreement, and

3 1 2 in order for

- (a) the security interests created under this Agreement to be taken to be continuing, first priority, security interests in the Collateral and its proceeds or relevant parts thereof created under the New Law when that law or relevant provisions of that law come into force, that attach to the Collateral and its proceeds and are perfected in accordance with that law, and
- (b) the Obligor Security Trustee to obtain the full benefit of all protections, remedies and powers of or available to a Obligor Security Trustee under and in accordance with and permitted by the New Law when that law or relevant provisions of that law come into force,

including, without limitation.

- (i) executing and delivering to the Obligor Security Trustee an agreement supplementing and amending the terms of this Agreement, including altering the terms on which the Secured Obligations are secured so far as those terms relate to the security interests created under this Agreement with or to the effect that the security interests created under this Agreement are amended so that they are taken to be security interests created under the New Law and the New Law applies to this Agreement and the security interests created under this Agreement (construing references to the "Law" in this Agreement accordingly), such amendments to include (amongst other things) amendments to the effect that.

- (A) no notice need be given under the relevant provision(s) of the New Law by the Obligor Security Trustee to the Grantor before

appropriation or sale of the Collateral or its proceeds or any part of the Collateral or its proceeds by the Obligor Security Trustee under that law,

(B) no security interest created under this Agreement is extinguished under the New Law by re-payment of any current advance as referred to in the New Law,

(C) the Grantor irrevocably waives the right to receive a copy of any verification statement relating to registration of any security interest created under this Agreement in accordance with the New Law, and

(D) the Grantor agrees to the Obligor Security Trustee charging a fee for compliance with any demand for registration of a financing change statement in accordance with the New Law, and

(ii) doing all other acts required for the attachment to the Collateral and its proceeds and perfection, including, without limitation by registration, of the security interests created under this Agreement under the New Law

3 2 For the purpose of facilitating the exercise of the powers of the Obligor Security Trustee under the Law and pursuant to this Agreement, the Grantor hereby irrevocably appoints the Obligor Security Trustee as the Grantor's attorney (with full power of substitution) to sign, execute, seal, deliver, acknowledge, file, register and perfect any and all assurances, documents, instruments, agreements, transfers, certificates and consents whatsoever and to do any and all such acts and things whatever which the Grantor has capacity to do in relation to any matters dealt with in or the subject of this Agreement and which the Obligor Security Trustee may deem necessary or advisable in order to give full effect to the purposes of this Agreement, including, without limitation, anything referred to in Clause 9 (*Enforcement by the Obligor Security Trustee*).

3 3 The Grantor covenants with and undertakes to the Obligor Security Trustee to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 3 2

4. REPRESENTATIONS AND WARRANTIES

4.1 The Grantor represents and warrants to the Obligor Security Trustee on the date of this Agreement and represents on each day with reference to the facts and circumstances then existing, and continues to warrant, until the Obligor Security Trustee's security interest in the Collateral is wholly discharged

4 1 1 that, except as may be created by the Obligor Security Documents and save for any requirement for the consent of the Jersey Financial Services Commission under the FS Law, there are and will be no restrictions on the transferability of or on the voting rights attached to any of the Affected Securities,

- 4 1 2 that the Grantor is able to pay its debts as they fall due and that it will not be rendered unable to do so as a result of entering into and performing this Agreement;
 - 4 1 3 that the Grantor has not granted any power of attorney or similar right in respect of the Collateral other than to the Obligor Security Trustee under the Obligor Security Documents;
 - 4 1 4 that, except for obtaining any consent or approval of the Jersey Financial Services Commission required in accordance with Article 14 of the FS Law, no governmental or regulatory approval, filing or registration is required in order to give the Obligor Security Trustee the full benefit of a continuing first priority security interest in the Collateral pursuant to the terms of this Agreement,
 - 4 1 5 that any security interest duly created under this Agreement in accordance with the Law will be recognised as a first priority right of security over the Collateral by way of security for the Secured Obligations in any Bankruptcy of the Grantor, and
 - 4 1 6 that the Affected Securities insofar as comprising issued shares in the Company comprise the whole of the issued share capital of the Company
- 4 2 The Grantor acknowledges that the Obligor Security Trustee has entered into this Agreement in reliance on the representations and warranties set out in this Clause 4

5. COVENANTS AND UNDERTAKINGS

- 5 1 The Grantor covenants with and undertakes to the Obligor Security Trustee to the intent that the same shall be continuing covenants and undertakings until the Obligor Security Trustee's security interest in the Collateral is wholly discharged
- 5 1 1 promptly to give to the Obligor Security Trustee copies of any notices or other communications or other documents (including, without limitation, any report, accounts, circular or resolution or proposed resolution) received by it with respect to, or which might affect, the Collateral together with a statement that any such notice, communication or other document relates to the subject matter of this Agreement,
 - 5 1 2 promptly to pay all calls and other payments due in respect of the Collateral without cost to the Obligor Security Trustee,
 - 5 1 3 that the Grantor shall remain liable to observe and perform all of the other conditions and obligations assumed by it or by which a member of the Company is bound in respect of any of the Collateral,
 - 5 1 4 that, except pursuant to the terms of the Obligor Security Documents and save for any requirement for the consent of the Jersey Financial Services Commission under the FS Law, there are and will be no restrictions on the transferability of, or on the voting rights

attached to, the Affected Securities;

- 5 1.5 not to take or permit the taking of any action which may result in any rights, terms, conditions, agreements or arrangements in respect of or applicable to the Collateral being breached, amended or replaced in any respect,
 - 5 1.6 to promptly provide, or procure the provision of, any and all documents and/or information relating to the Company, the Grantor or the AA Group requested by the Obligor Security Trustee or the Jersey Financial Services Commission in order to obtain any consent or approval (or similar) of the Jersey Financial Services Commission under the FS Law required for the Obligor Security Trustee to exercise its rights under this Agreement,
 - 5 1.7 that the Grantor shall not take any steps to commence any Bankruptcy or insolvency procedure or process of or relating to the Company or itself or any of the Company's or its own assets, and
 - 5 1.8 that, other than as provided in the Finance Documents, or in favour of the Obligor Security Trustee the Grantor shall not create or enter into, or enforce or take the benefit of (or attempt to enforce or take the benefit of), any contractual rights or obligations of set-off or netting with respect to the Collateral
- 5 2 The Grantor acknowledges that the Obligor Security Trustee has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 5

6. VOTING RIGHTS

- 6 1 Subject to Clause 6 4, prior to the occurrence of a Voting Event
- 6 1.1 where the Obligor Security Trustee (or its nominee) does not have title to Affected Securities, the Grantor may continue to exercise or cause to be exercised all voting and other rights attaching thereto provided that the Grantor shall not exercise such voting or other rights in any manner which varies the rights attaching to or conferred by the Affected Securities in any way which could reasonably be expected to adversely affect the interests of the Obligor Secured Creditors or which could reasonably be expected to prejudice the value of or the ability of the Obligor Security Trustee to realise the security interest created under this Agreement, and
 - 6 1.2 where the Obligor Security Trustee (or its nominee) has title to Affected Securities, the Obligor Security Trustee (or its nominee) shall exercise or cause to be exercised all voting and other rights attaching thereto in such manner as the Grantor may direct in writing from time to time
- 6 2 Subject to Clause 6 4, on and after the occurrence of a Voting Event:

- 6 2 1 where the Obligor Security Trustee (or its nominee) does not have title to Affected Securities, the Grantor agrees to exercise or cause to be exercised all voting and other rights attaching thereto in such manner as the Obligor Security Trustee directs at its discretion, and in the absence of such direction only in such manner as may be reasonably anticipated to preserve or enhance the value of the Affected Securities, and
- 6 2 2 where the Obligor Security Trustee (or its nominee) has title to Affected Securities, the Obligor Security Trustee may (but without any obligation to do so or liability for failing to do so) exercise or cause to be exercised all voting and other rights attaching thereto in such manner as the Obligor Security Trustee thinks fit
- 6 3 Clause 6 4 applies where the rights of the Obligor Security Trustee under Clause 6 1 or 6 1 2 are so extensive in relation to a corporate body which has issued Affected Securities ("the Issuer") that
- 6 3 1 the Obligor Security Trustee (or its nominee) holds a majority of the voting rights of the Issuer, or
- 6 3.2 the Obligor Security Trustee (or its nominee) is a member of the Issuer and has the right to appoint or remove a majority of its board of directors, or
- 6 3 3 the Obligor Security Trustee (or its nominee) is a member of the Issuer and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights of the Issuer
- 6.4 If as a result of the circumstances described in Clause 6 3 the Issuer would, but for this provision, be treated as a subsidiary of the Obligor Security Trustee for the purposes of the Companies (Jersey) Law 1991, the Obligor Security Trustee shall exercise such rights and cause them to be exercised only
- 6 4 1 for the purpose of preserving the value of or realising any Affected Securities, or
- 6 4 2 if the Obligor Security Trustee deems fit, in accordance with the instructions of the Grantor or (where the Grantor is a corporate body) those of another corporate body in the same Group as the Grantor, or
- 6 4 3 where the Affected Securities are held in connection with the granting of a loan as part of normal business activity, in a manner which is in the interests of the Grantor or (if the Grantor is a corporate body) those of another corporate body in the same Group as the Grantor
- 7 DIVIDENDS AND OTHER DERIVATIVE ASSETS**
- 7 1 The Obligor Security Trustee shall not have (and nor shall any nominee of the Obligor Security Trustee have) any duty to take up any Derivative Assets or to ensure that any such Derivative

Assets are duly and punctually paid, received or collected as and when due and payable or to ensure that the correct amounts are paid, received or collected

- 7 2 Subject to Clause 7 3, if any Derivative Assets are offered to, distributed to or received by the Grantor (or its nominee) in respect of the Collateral the Grantor shall immediately notify the Obligor Security Trustee and such Derivative Assets

7 2 1 shall be held by the Grantor (or its nominee) in trust for the Obligor Security Trustee,

7 2.2 shall be segregated from other property and funds of the Grantor (or such nominee), and

7 2.3 shall immediately be paid, delivered and transferred (as appropriate) to the Obligor Security Trustee (or its nominee) so as to be held as part of the Collateral

- 7 3 In the case of dividends, interest and other Derivative Assets of an income nature:

7 3 1 prior to the delivery of a Loan Enforcement Notice, the Grantor shall be entitled to receive all dividends, interest and other Derivative Assets of an income nature paid or payable in relation to the Affected Securities; and

7 3 2 on and after the delivery of a Loan Enforcement Notice, the Obligor Security Trustee may at its discretion

(a) apply all or any part of such Derivative Assets in or towards the discharge of the Secured Obligations, and/or

(b) agree with the Grantor that the Grantor may retain all or any part of such Derivative Assets free of the security interest created under this Agreement

- 7 4 Until such application or agreement, dividends, interest and other Derivative Assets of an income nature shall remain part of the Collateral

- 7 5 For the avoidance of doubt, a security interest in Affected Securities shall itself encompass all Derivative Assets which are considered as a matter of law to be a composite part of such Affected Securities

8 EVENTS OF DEFAULT

The occurrence of any of the following events shall constitute an Event of Default for the purposes of this Agreement

- 8 1 the delivery of a Loan Enforcement Notice in accordance with the provisions of clause 28 6 (*Loan Enforcement Notice*) of the STID,

- 8 2 the Grantor requesting the Obligor Security Trustee to exercise any of its powers under this

Agreement or the Obligor Security Agreement, or

8 3 on the appointment of a Receiver under the Obligor Security Agreement

9 ENFORCEMENT BY THE OBLIGOR SECURITY TRUSTEE

9 1 Subject to Clause 2 9, the Obligor Security Trustee's power of sale over the Collateral shall become exercisable upon and at any time after the occurrence of an Event of Default, provided that

9 1 1 the Obligor Security Trustee has served on the Grantor a notice specifying the particular Event of Default complained of and, if the Event of Default is capable of remedy, requiring the Grantor to remedy it, and

9 1 2 if that Event of Default is capable of remedy, the Grantor has failed to remedy it within 14 days following receipt of such notice

9 2 The Obligor Security Trustee may treat an Event of Default as incapable of remedy if it appears to the Obligor Security Trustee that the Event of Default cannot for any reason properly be remedied by the Grantor

9 3 The power of sale shall be exercisable without the need for any court order and in such manner and for such consideration (whether payable immediately, by instalments or otherwise deferred) as the Obligor Security Trustee shall in its absolute discretion determine, and by way of sale to a third party or an associate or nominee of the Obligor Security Trustee.

9 4 For the purposes of this Agreement, references to the exercise of a "**power of sale**" shall include any method or process by which value is given, allowed or credited by the Obligor Security Trustee for the Collateral against the Secured Obligations

9 5 For the purposes of Article 8(6)(b)(iii) of the Law, where the power of sale or application is exercised in relation to any obligation other than a payment obligation, the "moneys properly due" in respect of such obligation shall be the loss or losses suffered by the Obligor Security Trustee or by any other person and by reason of non-performance of such obligation (including as such obligation is owed, or also owed, to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Grantor by the Obligor Security Trustee

9.6 The Obligor Security Trustee may at its discretion

9 6 1 exercise its power of sale over parts of the Collateral at such different times, in such different manner and for such different consideration as it considers appropriate, and

9 6 2 refrain from exercising its power of sale over any one part of the Collateral notwithstanding that it shall have exercised such power over any other

9.7 No person dealing with the Obligor Security Trustee shall be concerned to enquire as to the propriety of exercise of any power of sale (including, without limitation, whether any security interest has become enforceable, whether any of the Secured Obligations remain due, as to the necessity or expediency of any conditions to which a sale is made subject or generally as to the application of any monies representing the proceeds of sale of the Collateral) Each such dealing shall be deemed in favour of such person to be valid, binding and effectual

9.8 The Obligor Security Trustee shall be under no liability to the Grantor for any failure to apply and distribute any monies representing the proceeds of sale of the Collateral in accordance with the Law if the Obligor Security Trustee applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution

10 INDEMNITIES AND INTEREST

10.1 The Grantor agrees to pay to the Obligor Security Trustee an amount equal to and to keep the Obligor Security Trustee and its nominees, officers, employees, shareholders, delegates, representatives, attorneys (and substitute attorneys) and agents at all times fully indemnified against all liabilities, payments, losses and expenses (including, without limitation, those arising by reason of calls, instalments, actions, claims, damages, costs and interest) that may arise or become due as a result of or in connection with

10.1.1 the preparation, negotiation, execution and (if considered necessary or desirable by the Obligor Security Trustee) registration of this Agreement or of any security interests created under this Agreement,

10.1.2 the Obligor Security Trustee (or its nominee) having possession of the certificates of title to any Affected Securities or title to the Collateral or any part thereof;

10.1.3 the performance of any function in relation to or the taking of any steps to perfect or administer the security constituted or intended to be constituted under or pursuant to this Agreement,

10.1.4 any act done or to be done under, pursuant to or in connection with Clause 3 (*Further Assurance and Power of Attorney*) (including, without limitation, the preparation, execution and (if required by the Obligor Security Trustee) registration of any further instrument or document required under or pursuant to Clause 3.1),

10.1.5 the preservation, defence, enforcement or attempted enforcement of any rights of the Obligor Security Trustee under this Agreement, or

10.1.6 any default by the Grantor in the performance of any of its obligations expressed to be assumed by it in this Agreement

10.2 Any sum due by the Grantor under any provision of this Agreement (including Clause 10.1) shall

be payable on demand with Interest from the date on which it is demanded and the Grantor's liability to pay such sum and Interest shall form part of the Secured Obligations. Interest shall be payable after as well as before judgment, shall accrue on a day-to-day basis, shall be calculated by the Obligor Security Trustee on the basis of the actual number of days elapsed and a 365 day year and shall be compounded in accordance with the usual practice (if any) of the Obligor Security Trustee.

11 ASSIGNMENT AND SUCCESSION

- 11.1 The Obligor Security Trustee may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any security interest created under this Agreement. For the purpose of any such participation, assignment, transfer or disposal the Obligor Security Trustee may disclose information about the Grantor and the Company and the financial condition of the Grantor and the Company as shall have been made available to the Obligor Security Trustee by or on behalf of the Grantor or the Company or which is otherwise publicly available.
- 11.2 The security interest and other rights of the Obligor Security Trustee arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Obligor Security Trustee and shall inure for the benefit of the Obligor Security Trustee's successors.
- 11.3 The Grantor may not assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

12 SUSPENSE ACCOUNT

- 12.1 The Obligor Security Trustee may place to the credit of a suspense account any monies received under or in connection with this Agreement in order to preserve the rights of the Obligor Security Trustee to prove for the full amount of all claims against the Grantor or any other person.
- 12.2 The Obligor Security Trustee may, at any time, apply any of the monies referred to in Clause 12.1 in or towards satisfaction of any of the Secured Obligations as the Obligor Security Trustee, in its absolute discretion, may from time to time conclusively determine.

13 NEW ACCOUNTS

- 13.1 Security interests created pursuant to this Agreement shall be continuing security interests notwithstanding any partial or intermediate payment or performance of the Secured Obligations.
- 13.2 If this Agreement ceases for any reason to be continuing in relation to the Grantor, then the Obligor Security Trustee may open a new account or accounts in the name of the Grantor.

13 3 If the Obligor Security Trustee does not open a new account or accounts pursuant to Clause 13.2, it shall nevertheless be treated as if it had done so at the time that this Agreement ceases to be continuing (whether by determination, calling in or otherwise) in relation to the Grantor

13 4 As from that time, all payments made to the Obligor Security Trustee by or on behalf of the Grantor shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce any of the Secured Obligations nor shall the liability of the Grantor under this Agreement in any manner be reduced or affected by any subsequent transactions, receipts or payments into or out of any such accounts

14 MISCELLANEOUS

14 1 The Obligor Security Trustee may exchange or convert to the Required Currency any currency held or received at the Exchange Rate

14 2 The security constituted by or pursuant to this Agreement shall take effect as a security for the whole and every part of the payment or performance of the Secured Obligations

14.3 The rights and remedies of the Obligor Security Trustee under this Agreement may be exercised from time to time and as often as the Obligor Security Trustee deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available to the Obligor Security Trustee (whether at law or pursuant to this Agreement, another agreement or the order of any court)

14.4 Any settlement or discharge between the Obligor Security Trustee and the Grantor in respect of the Secured Obligations shall be conditional upon no security provided, or payment made, to the Obligor Security Trustee by the Grantor or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or avoidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Obligor Security Trustee shall be entitled to recover the value or amount thereof from the Grantor as if no such settlement or discharge had taken place

14 5 No delay, omission, time or indulgence on the part of the Obligor Security Trustee in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it; nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Obligor Security Trustee may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral

14 6 Where the Grantor comprises more than one person the liability of each of them shall be joint and several and every agreement, covenant and undertaking contained in this Agreement shall

be construed accordingly

- 14.7 Save as otherwise expressly provided in this Agreement, any liberty or power which may be exercised or any determination which may be made by the Obligor Security Trustee may be exercised or made in the absolute and unfettered discretion of the Obligor Security Trustee which shall not be under any obligation to give reasons
- 14.8 The Grantor acknowledges that the Obligor Security Trustee has no obligation to perform any of the obligations of the Grantor, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of the Grantor or to take any other action to collect or enforce payment of amounts the Obligor Security Trustee is entitled to under or pursuant to this Agreement in respect of any Collateral
- 14.9 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way. In particular, without prejudice to the generality of the foregoing, no defect in respect of a security interest created or intended to be created over any part of the Collateral shall affect the security interest created over any other part.
- 14.10 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of the Grantor and the Obligor Security Trustee. Any waiver by the Obligor Security Trustee of any Event of Default or breach of other terms of this Agreement, and any consent or approval given by the Obligor Security Trustee for the purposes of this Agreement, shall also be effective only if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is granted
- 14.11 The Grantor may not direct the application by the Obligor Security Trustee of any sums received by the Obligor Security Trustee under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Obligations
- 14.12 The Obligor Security Trustee shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the security constituted by or pursuant to this Agreement
- 14.13 Any certificate submitted by the Obligor Security Trustee to the Grantor as to the amount of the Secured Obligations or any other amount payable under this Agreement shall, in the absence of manifest error, be conclusive and binding on the Grantor
- 14.14 Time shall be of the essence in respect of the performance of any obligation of the Grantor under this Agreement
- 14.15 This Agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument

14 16 The Obligor Security Trustee shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, undertakings and covenants given by the Grantor in and pursuant to this Agreement upon trust for the Obligor Secured Creditors on the terms and conditions of the Obligor Security Agreement and the STID

14 17 The Obligor Security Trustee as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 37 (*Activities of the Obligor Security Trustee*) of the STID. All and any other duties and liabilities of a trustee under or by reason of this Agreement are hereby excluded to the maximum extent permitted by law

15 COMMUNICATIONS

Any notice, demand or other communication to the Grantor under this Agreement shall be made in accordance with clause 29 (*Notices*) of the Obligor Security Agreement

16 GOVERNING LAW AND JURISDICTION

16 1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Obligor Security Trustee that the courts of the Island of Jersey are to have jurisdiction to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("**Proceedings**") may be brought in such court

16 2 Nothing contained in this Agreement shall limit the right of the Obligor Security Trustee to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against the Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.

16 3 The Grantor irrevocably waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process

16 4 The Grantor further irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon the Grantor and may be enforced in the court of any other jurisdiction

17 AGENT FOR SERVICE

The Grantor hereby confirms that it has appointed Maurant Ozannes Corporate Services (Jersey) Limited of 22 Grenville Street, St Helier, Jersey JE4 8PX to act as its agent to receive and accept on its behalf any process or other document relating to Proceedings brought in the courts of the

SCHEDULE 1 – SHARE CAPITAL OF THE COMPANY

SHARE CLASS	AMOUNT
Ordinary shares of £1 00 each	50,000 (fifty thousand)

SCHEDULE 2 - NOTICE

To **THE AUTOMOBILE ASSOCIATION LIMITED**, 22 Grenville Street, St Helier, Jersey JE4 8PX

Date: 2013

Dear Sirs

We, the undersigned, hereby give you notice that by a security interest agreement dated 2013 (the "**Security Agreement**") between AA Corporation Limited (the "**Grantor**") and Deutsche Trustee Company Limited (the "**Obligor Security Trustee**") the Grantor has -

1. assigned to the Obligor Security Trustee title to
 - 1.1 the securities specified below (the "**Securities**"),
 - 1.2 all securities, dividends, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time by way of dividend, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Securities or to assets previously described and all rights from time to time thereto (the "**Derivative Assets**"), and
 - 1.3 all the Grantor's right, title and interest from time to time to and in all the Securities and the Derivative Assets, and
- 2 agreed that, to the extent that the Obligor Security Trustee does not have a security interest in the Securities by way of assignment of title and the giving of notice as required by law, the Obligor Security Trustee (and/or some other person chosen by the Obligor Security Trustee to act on its behalf) shall have possession of all certificates of title to all the Securities

For the avoidance of doubt, no Affected Securities (as defined in the Security Agreement) shall be registered in the name of the Obligor Security Trustee (or its nominee) unless a completed and dated instrument of transfer has been delivered to the Company

This Notice may not be amended in any respect without the Obligor Security Trustee's prior written consent.

Please sign, date and forward the enclosed form of acknowledgement to the Obligor Security Trustee (marked for the attention of The Managing Director (TSS))

This Notice shall be governed by and construed in accordance with the laws of Jersey

Yours faithfully

for and on behalf of

DEUTSCHE TRUSTEE COMPANY LIMITED

for and on behalf of

**AA CORPORATION
LIMITED**

THE SECURITIES

The shares set out in the table below in the capital of The Automobile Association Limited (the "**Company**") and any other shares in the Company that may from time to time be beneficially owned by the Grantor

SHARE CLASS	AMOUNT
Ordinary shares of £1.00 each	50,000 (fifty thousand)

ACKNOWLEDGEMENT

To **DEUTSCHE TRUSTEE COMPANY LIMITED**, Winchester House, 1 Great Winchester Street, London EC2N 2DB

For the attention of The Managing Director (TSS)

Dear Sirs

We acknowledge receipt of the Notice given to us above

We further confirm that

1. as at the date hereof we have not had notice of any other security interest, mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Securities or the Derivative Assets,
2. we shall promptly notify you if we receive notice of any such matter in the future;
3. to the extent that it may prejudice or compete with the priority of your security we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Securities or the Derivative Assets;
4. if, pursuant to and in exercise of your power of sale or other rights under the Security Agreement, you wish your own name, or the name of such other person as you shall nominate, to be entered in the register of members of the Company as holder of the Securities, we shall immediately effect this; and
5. we shall promptly provide, or procure the provision of, any and all documents and/or information relating to the Company, the Grantor or the AA Group requested by the Obligor Security Trustee or the Jersey Financial Services Commission in order to obtain any consent or approval (or similar) of the Jersey Financial Services Commission under the Financial Services (Jersey) Law 1998 required for the Obligor Security Trustee to exercise its rights under the Security Agreement

This acknowledgement and confirmation is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey

Yours faithfully

duly authorised
for and on behalf of
**THE AUTOMOBILE
ASSOCIATION LIMITED**

Date 2013

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

SIGNED by
for and on behalf of
AA CORPORATION LIMITED



SIGNED by
for and on behalf of
DEUTSCHE TRUSTEE
COMPANY LIMITED

