



Registration of a Charge

Company name: **ACTION 365 LTD**

Company number: **03839322**

Received for Electronic Filing: **11/09/2020**



X9DD7XV7

Details of Charge

Date of creation: **09/09/2020**

Charge code: **0383 9322 0004**

Persons entitled: **PONT FINANCE LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

HARRISON CLARK RICKERBYS LIMITED



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3839322

Charge code: 0383 9322 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th September 2020 and created by ACTION 365 LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th September 2020 .

Given at Companies House, Cardiff on 14th September 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 9 September 2020

THE COMPANIES SET OUT IN SCHEDULE 1

and

**PONT FINANCE LTD
as Security Agent**

DEBENTURE

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THIS DEED is made on 9 September 2020 by

- (1) **THE COMPANIES** whose details are set out in Schedule 1 (the “**Original Companies**” and each an “**Original Company**”)

in favour of

- (2) **PONT FINANCE LTD** a company registered in England and Wales with company registration number 11989794 whose registered address is 5 Deansway, Worcester, Worcestershire WR1 2JG as trustee for the Secured Parties on the terms of this Deed (the “**Security Agent**”).

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, terms defined in the Facility Agreement shall have the same meaning when used in this Deed and in addition:

“**Account Bank**” means any bank or financial institution with whom a Company holds an account, including the Charged Accounts, from time to time.

“**Additional Company**” means a company which creates Security over its assets in favour of the Security Agent by executing a Security Deed of Accession.

“**Charged Accounts**” means:

- (a) each of the Collections Account; and
- (b) any other account charged by or pursuant to this Deed.

“**Charged Property**” means all the assets and undertaking of a Company which from time to time are the subject of the security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed.

“**Collections Account**” means:

- (a) the bank accounts listed in Part V of Schedule 2 (*Charged Accounts*), in the name of a Company or such other account or accounts as the Security Agent may from time to time designate in writing; and
- (b) all Related Rights.

“**Company**” means an Original Company or an Additional Company.

“**EU Regulation**” means the Council of the European Union Regulation No. 1346/2000 on insolvency proceedings.

“**Facility Agreement**” means the facility agreement dated on or about the date of this Deed and made between, among others, the Companies and the Security Agent providing for a term facility.

“**Financial Collateral**” shall have the same meaning as in the Financial Collateral Regulations.

“**Financial Collateral Regulations**” means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226).

“**Floating Charge Property**” has the meaning given in Clause 3.3 (*Floating Charges*).

“**Insurance Policy**” means any policy of insurance and cover note in which a Company may from time to time have an interest.

"Intellectual Property" means:

- (a) all present and future patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered including, without limitation, the intellectual property rights (if any) specified in Part III of Schedule 2 (*Details of Charged Property*);
- (b) the benefit of all applications and rights to use such assets; and
- (c) all Related Rights.

"Investments" means:

- (a) the securities specified in Part II of Schedule 2 (*Details of Charged Property*);
- (b) any stocks or other securities, whether held directly by or to the order of a Company or by any trustee, fiduciary or clearance system on its behalf; and
- (c) all Related Rights (including all rights against any such trustee, fiduciary or clearance system).

"Investment Derivative Rights" means all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment.

"Issuer" means the issuer of any Investment.

"Key-person Policy" means any policy of insurance described in Part VI of Schedule 2 (*Details of Charged Property*) in respect of which a Company is the insured party, together with all Related Rights.

"Material Contracts" means:

- (a) the agreements listed in Part IV of Schedule 2 (*Details of Charged Property*);
- (b) any other contract entered into by a Company that may from time to time be identified in writing by the Security Agent as a Material Contract; and
- (c) all Related Rights.

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 (*Notices of Assignment*) or in such other form as may be agreed between the Security Agent and a Company.

"Plant and Machinery" means:

- (a) all equipment, machinery and all other assets of a similar nature which are now, or at any time after the date of this Deed become, the property of a Company; and
- (b) all Related Rights.

"Real Property" means a Company's estates or interests in all freehold (including commonhold), leasehold or other immovable property (including the property specified in Part I of Schedule 2 (*Details of Charged Property*)), and any buildings, fixtures or fittings from time to time situated on or forming part of such property, and all Related Rights.

"Receivables" means:

- (a) all present and future book and other debts and monetary claims owing to a Company; and
- (b) all Related Rights.

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

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

"Secured Obligations" means all present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever, owed by any Company to the Finance Parties under or in connection with any of the Finance Documents (whether or not such Company or, as the case may be, such other person is a party to such Finance Document as at the date of this Deed or becomes party to such Finance Document at any time thereafter and notwithstanding that any such obligations are not identified and/or the terms of those obligations not recorded as at the date of this Deed or at any time thereafter) together with all costs, charges and expenses incurred by the Finance Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents or any other document evidencing or securing any such liabilities and shall include interest on the above from the date of demand until the date of payment in full (as well after as before any judgment) calculated on a daily basis at the rate determined in accordance with clause 6.2 (*Default Interest*) of the Facility Agreement.

"Security Deed of Accession" means a deed in the form set out in Schedule 4 (*Security Deed of Accession*) by which a person will become a party to this Deed as a Company.

"Security Financial Collateral Arrangement" shall have the same meaning as in the Financial Collateral Regulations.

"Short Leasehold Property" means a leasehold property held by a Company now or in the future under a lease granted at a rack rate which has an unexpired term of seven years or less at the date of this Deed (or in the case of future acquired leasehold property, at the date of acquisition of such property by the relevant Company).

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and no Secured Party is under any further actual or contingent obligations to make advances or provide other financial accommodation to any Company or any other person under the Finance Documents.

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Deed to:
 - (i) the **"Agent"**, any **"Finance Party"**, any **"Company"**, the **"Security Agent"**, any **"Obligor"**, any **"Party"**, any **"Secured Party"**, or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents;
 - (ii) a document in **"agreed form"** is a document which is previously agreed in writing by or on behalf of a Company and the Agent or, if not so agreed, is in the form specified by the Agent;
 - (iii) **"assets"** includes present and future properties, revenues and rights of every description;
 - (iv) a **"Finance Document"** or a **"Transaction Document"** or any other agreement or instrument is a reference to that Finance Document or Transaction Document or

other agreement or instrument as amended, novated, supplemented, extended or restated;

- (v) **"guarantee"** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
 - (vi) **"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;
 - (vii) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - (viii) 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;
 - (ix) a provision of law is a reference to that provision as amended or re-enacted; and
 - (x) a time of day is a reference to London time.
- (b) A Default (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is **"continuing"** if it has not been waived.
 - (c) Section, Clause and Schedule headings are for ease of reference only.
 - (d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Deed.

1.3 Third Party Rights

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Deed.

1.4 Incorporation of Terms

The terms of the Finance Documents and of any side letters between any of the parties thereto are incorporated in this Deed to the extent required to ensure that any disposition of Real Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Deed of Priority

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

1.6 Security Agent assumes no obligation

The Security Agent shall not be under any obligation in relation to the Charged Property as a consequence of this Deed and each Company shall at all times remain liable to perform all obligations in respect of the Charged Property.

1.7 Effect as a Deed

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

2 COVENANT TO PAY

Each Company covenants that it will pay and discharge the Secured Obligations to the Security Agent in accordance with the terms of the Finance Documents (or if they do not specify a time for payment, immediately on demand by the Security Agent).

3 GRANT OF SECURITY

3.1 Fixed Charges

Each Company with full title guarantee charges in favour of the Security Agent as continuing security for the payment and discharge of the Secured Obligations:

- (a) by way of legal mortgage, the Real Property and all Related Rights;
- (b) by way of fixed charge, any Real Property (other than any Short Leasehold Property) now or at any time after the date of this Deed belonging to the Company (other than property mortgaged under Clause 3.1(a) above), together with all Related Rights;
- (c) by way of fixed charge, all Related Rights in relation the Real Property (other than any Short Leasehold Property) charged pursuant to this Deed;
- (d) by way of fixed charge, all Plant and Machinery and other fixtures and fittings attached to any Real Property;
- (e) by way of fixed charge, all vehicles, computers, office and other equipment owned by the Company, both present and future;
- (f) by way of fixed charge:
 - (i) the Collections Accounts and all monies at any time standing to the credit of the Collections Accounts; and
 - (ii) all other accounts of such Company with any bank, financial institution or other person at any time (not charged by clause 3.1(f)(i) and all monies at any time standing to the credit of such accounts,

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing provided that this Clause shall not charge the Insurance Trust Account and any monies standing to the credit of such account to the extent they are not monies due to a Company;

- (g) by way of fixed charge, all present and future Receivables, other than those validly and effectively assigned under Clause 3.2;
- (h) by way of fixed charge, other than those validly and effectively assigned under Clause 3.3:
 - (i) all present and future Investments;
 - (ii) all Investment Derivative Rights; and
 - (iii) where any Investment is held in a system for the deposit and settlement of transactions in Investments, all rights against the operator of such system or any participant in respect of such Investment;
- (i) by way of fixed charge, all present and future Intellectual Property;

- (j) by way of fixed charge, the goodwill of the Company;
- (k) by way of fixed charge, the uncalled capital of the Company;
- (l) by way of fixed charge, all rights, interests and claims in the Insurance Policies, other than those validly and effectively assigned under Clause 3.2;
- (m) by way of fixed charge, all rights, interests and claims in the Key-Person Policy, other than those validly and effectively assigned under Clause 3.2;
- (n) by way of fixed charge, all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under Clause 3.2;
- (o) by way of fixed charge, the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them; and
- (p) by way of fixed charge, all rights, interests and claims in any pension fund now or in the future.

3.2 Security Assignment

Each Company with full title guarantee assigns to the Security Agent as continuing security for the payment and discharge of the Secured Obligations all of its rights, title, interest and benefit from time to time in and to:

- (a) the Material Contracts;
- (b) the Insurance Policies;
- (c) the Key-Person Policy;
- (d) the Investments; and
- (e) the Receivables.

3.3 Floating Charges

Each Company charges and agrees to charge by way of first floating charge all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to Clause 3.1 (*Fixed Charges*), clause 3.2 (*Security Assignment*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland,

((a) and (b) above together being the “**Floating Charge Property**”).

3.4 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

3.5 Financial Collateral

To the extent that the Charged Property constitutes Financial Collateral, each Company agrees that such Charged Property shall be held or designated so as to be under the control of the

Security Agent (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Deed, the Security Agent shall have the right at any time after this Deed becomes enforceable, to appropriate all or any part of that Charged Property in or towards the payment or discharge of the Secured Obligations. The value of any Charged Property appropriated in accordance with this Clause shall be (a) in the case of cash, the amount standing to the credit of any account, together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Security Agent may select (acting reasonably). Each Company agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

4 NEGATIVE PLEDGE

- (a) The Companies shall not create or permit to subsist any Security over any of the Charged Property, other than Permitted Security.
- (b) The Companies shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, discount, factor, transfer, assign, lease, lend or otherwise dispose of any of the Charged Property other than the Floating Charge Property in the ordinary course of trading on an arm's length basis or as otherwise permitted pursuant to the Facility Agreement.

5 CRYSTALLISATION OF FLOATING CHARGE

5.1 Conversion of Floating Charge

The Security Agent may at any time by notice in writing to a Company immediately convert the floating charge created by Clause 3.3 (*Floating Charges*) into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Security Agent reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Security Agent reasonably considers that it is desirable in order to protect the priority of the security.

5.2 Automatic Conversion

- (a) If, without the prior written consent of the Security Agent:
 - (i) the Company disposes of any of the Floating Charge Property other than in the ordinary course of trading on an arm's length basis or as otherwise permitted pursuant to the Facility Agreement; or
 - (ii) any steps are taken for any of the Charged Property to become subject to any Security in favour of any other person; or
 - (iii) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
 - (iv) a resolution is passed or an order is made for the winding-up, dissolution, or re-organisation of or any steps are taken for the appointment of an administrator in respect of the Company,

the floating charge created under Clause 3.3 (*Floating Charges*) by any Company will automatically be converted (without notice) with immediate effect into a fixed charge in respect of the relevant Floating Charge Property.

- (b) At any time after the floating charge constituted under this Deed shall have crystallised as a fixed charge over all or part of the Charged Property pursuant to this Clause 5 but before the appointment of any Receiver pursuant hereto, the said fixed charge shall upon the written consent of the Security Agent cease to attach to the assets then subject to the fixed charge and shall again subsist as a floating charge.
- (c) The floating charge created under this Deed shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of a Company.

6 PERFECTION OF SECURITY

6.1 Deposit of Title Documents

Immediately following the execution of this Deed (or, if later, the date of acquisition of the relevant Charged Property), each Company shall deposit with the Security Agent:

- (a) all deeds and documents of title relating to the Charged Property;
- (b) all Insurance Policies (including any Key-person Policy) to which the Company is entitled to possession; and
- (c) at the request of the Security Agent, all certificates relating to the Investments together with stamped stock transfer forms executed in blank and other documents as the Security Agent may from time to time require for perfecting its title to the Investments or for vesting or enabling it to vest the Investments in itself or its nominees or in any purchaser and declarations of trust in favour of the Company executed by all persons (other than that Company) in whose name the Investments are registered.

6.2 Notices of Assignment

- (a) Each Company shall, immediately following the execution of this Deed (and immediately upon the obtaining of any Insurance Policy, the opening of any Charged Account or the execution of any Material Contract or obtaining any Key-person Policy after the date of this Deed):
 - (i) give notice in the form set out in Schedule 3 (*Form of Notice of Assignment to Account Bank*) to each Account Bank of the charging of the Company's rights and interest in its Charged Accounts and shall procure that each Account Bank will promptly provide an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of Acknowledgement from Account Bank*);
 - (ii) give notice in the form set out in Schedule 3 (*Form of Notice of Assignment to Contract Counterparty*) to each person with whom the Company has entered into a Material Contract of the assignment of the Company's rights and interest in and under such Material Contract and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of Acknowledgement from Contract Counterparty*);
 - (iii) give notice in the form set out in of Schedule 3 (*Form of Notice of Assignment to Key-person Policy*) to each insurer with whom the Company has a Key-Person Policy of the assignment of the Company's rights and interest in and under such Key-Person Policy and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of acknowledgement from Key-person Policy Insurer*);

- (iv) give notice in the form set out in of Schedule 3 (*Form of Notice of Assignment to Insurers*) to each insurer with whom the Company has an Insurance Policy of the assignment of the Company's rights and interest in and under such Insurance Policy and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of Acknowledgement from Insurers*); and
 - (v) give notice in the form set out in Schedule 3 (*Form of Notice of Assignment to Issuer of Investments*) to each Issuer of each Investment of the assignment of the Company's rights and interest in and under such Investment and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Schedule 3 (*Form of Acknowledgement from Issuer of Investments*).
- (b) The execution of this Deed by each Company and the Security Agent shall constitute notice to the Security Agent of the charge created over any account opened or maintained with the Security Agent.

6.3 Registration of Intellectual Property

Each Company shall, if requested by the Security Agent, execute all such documents and do all acts that the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Intellectual Property.

6.4 Land Registry disposal restriction

- (a) In respect of any Real Property or part of or interest in any Real Property title to which is registered at the Land Registry (or any unregistered land subject to first registration), each Company shall apply or consent to an application being made to the Chief Land Registrar to enter the following restriction on the Register of Title for such Real Property:
- "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Deed dated [] in favour of Pont Finance Ltd referred to in the charges register."*
- (b) The Security Agent shall not be liable to any party for the failure by a Company to perfect any Security.

6.5 Tacking

The obligation (if any) on the part of the Security Agent to make further advances to any Company is deemed to be incorporated in this Deed and each Company shall apply to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future registered Real Property.

7 FURTHER ASSURANCE

- (a) Each Company shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to the Finance Documents or by law;
 - (ii) to confer on the Security Agent Security over any property and assets of the Company located in any jurisdiction equivalent or similar to the Security intended to

be conferred by or pursuant to this Deed; and/or

- (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of this Deed.
- (b) Each Company shall take all such action as is available to it (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 the Security Agent by or pursuant to the Finance Documents.

8 REPRESENTATIONS

8.1 General

Each Original Company makes the representations and warranties set out in this clause 8 to the Security Agent on the date of this Deed.

8.2 Ownership of Security Assets

Each Original Company is the sole legal and beneficial owner of all of the Charged Property identified against its name in Schedule 2 (*Details of Charged Property*), except in respect of those Investments (if any) which are stated to be held by a nominee for an Original Company, in which case such Original Company is the beneficial owner only of such Investments.

8.3 Charged Investments

The Investments listed in Part II of Schedule 2 (*Details of Charged Property*) are fully paid and constitute the entire share capital owned by each Original Company in the relevant company and constitute the entire issued share capital of each such company.

8.4 Intellectual Property

- (a) The details of the Intellectual Property specified in Part III of Schedule 2 (*Details of Charged Property*) (the "**Specified Intellectual Property**"):
 - (i) are true, accurate, and complete in all material respects; and
 - (ii) no Company is the owner of any interest in any other registered Intellectual Property which is not identified in Part III of Schedule 2 (*Details of Charged Property*).
- (b) Each Company is the sole legal and beneficial owner of any Specified Intellectual Property listed under its name and specified in Part III of Schedule 2 (*Details of Charged Property*) and there are no Security, nor any options, rights of pre-emption, licences, agreements or other third party interests of any nature, affecting any such Specified Intellectual Property, other than those which are specifically identified in Part III of Schedule 2 (*Details of Charged Property*).
- (c) Nothing has been done or has been omitted to be done by or with the consent of the Companies whereby any person (including any relevant registrar or other applicable authority) might reasonably be expected successfully:
 - (i) to seek cancellation or rectification or any other modification of any registration of or application for registration, in any jurisdiction, of any Specified Intellectual Property which is registered or subject to an application for registration in such jurisdiction; or
 - (ii) to challenge the legality or validity of any such registration or application.

- (d) No Company is aware of any circumstances which would be likely to entitle a third party to a licence, permission, consent or assignment of, or in respect of, any Specified Intellectual Property or other Intellectual Property right.
- (e) No Company is aware of any actions, claims or allegations against any third party alleging infringement of any Specified Intellectual Property, nor of any facts, matters or circumstances which could reasonably be expected to give rise to any such action, claim or allegation.
- (f) No Company is aware of any pending or anticipated actions, claims, counter-claims, applications or allegations impugning the validity or enforceability of any Specified Intellectual Property or its ownership of it, nor of any facts, matters or circumstances which could reasonably be expected to give rise to any such action, claim, counter-claim, application or allegation.
- (g) No Company has done or omitted to do any act in relation to any Specified Intellectual Property which has resulted or which could reasonably be expected to result in any breach or infringement of any third party's Intellectual Property rights.
- (h) All renewal fees due in respect of the registrations for the Specified Intellectual Property in any jurisdiction have been paid.
- (i) The Companies have taken all reasonable steps which, so far as they are aware, are required to ensure that the details of any Specified Intellectual Property recorded at any Intellectual Property office or similar register are true and accurate in all material respects including, without limitation, the recordal of the correct registered proprietor's name of each registered trade mark identified in Part III of Schedule 2 (*Details of Charged Property*).

8.5 Time when representations made

- (a) All the representations and warranties in this clause 8 are made by each Company on the date of this Deed and (except for the representation in clause 8.3 (*Charged Investments*)) are also deemed to be made by each Company on each day during the Security Period.
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

9 UNDERTAKINGS

9.1 Real Property

Each Company shall:

- (a) notify the Security Agent within 14 days of receipt of every material notice, order or proposal given, or made in relation to, the Real Property by any competent authority and (if required by the Security Agent) immediately provide it with a copy of the same and either:
 - (i) comply with such notice, order or proposal; or
 - (ii) make such objections to the same as the Security Agent may require or approve;
- (b) duly and punctually pay all rates, rents and other outgoings owed by it in respect of the Real Property;
- (c) comply with all material covenants and obligations affecting any of the Real Property or the manner of use of any of it;

- (d) not, except with the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any of the Real Property;
- (e) not do, cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Real Property;
- (f) maintain all buildings and erections forming part of the Real Property in a good state of repair, provided that nothing in this Clause shall oblige the Company to keep any of its properties, fixtures and fittings in a better state of repair or in better working order or condition than they are at the date of this Deed, or than is required for the business of the Company, and in all cases subject to fair wear and tear;
- (g) not carry out any development within the meaning of section 55 of the Town and Country Planning Act 1990 without first obtaining such permissions as may be required under applicable legislation and, in the case of development involving a substantial change in the structure of or a substantial change in use of, any part of the Real Property, without first obtaining the written consent of the Security Agent;
- (h) not, except with the prior written consent of the Security, confer on any person:
 - (i) any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (i) any right or licence to occupy any land or buildings forming part of the Real Property; or
 - (ii) any licence to assign or sub-let any part of the Real Property;
- (i) not do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined;
- (j) provide the Security Agent with all information which it may reasonably request in relation to the Real Property;
- (k) authorise the Security Agent to make any application which the Security Agent deems appropriate for the designation of this Deed and/or Finance Documents and/or any other document as exempt information documents under rule 136 of the Land Registration Rules 2003 and use its best endeavours to assist with any such application made by or on behalf of the Security Agent;
- (l) notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed or any other document, following its designation as an exempt information document and not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of such document as an exempt information document;
- (m) notify the Security Agent immediately upon the acquisition of any Real Property;
- (n) permit the Security Agent and any person nominated by any of them at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it;
- (o) grant the Security Agent on request all reasonable facilities within the power of the Company to allow the Security Agent (or its lawyers) to carry out (at the Company's expense) investigations of title to the Real Property and to make all enquiries in relation to any part of the Real Property which a prudent mortgagee might carry out;
- (p) immediately upon demand by the Security Agent, provide the Security Agent with a report as to title of the Company to the Real Property concerning those items which may properly

be sought to be covered by a prudent mortgagee in a lawyer's report of this nature;

- (q) in respect of any Real Property which is acquired after the date of this Deed, title to which is registered at the Land Registry or which is required to be so registered:
 - (i) give written notice of this Deed to the Land Registry and procure that notice of this Deed is clearly noted in the Register of Title for such Real Property; and
 - (ii) procure that no person is registered as proprietor of any such property under the Land Registration Acts 1925 to 2002 without the prior written consent of the Security Agent.

9.2 Plant and Machinery

Each Company shall:

- (a) maintain at its own expense all Plant and Machinery, fixtures, fittings and other effects for the time being owned by it in good working order and condition, provided that nothing in this Clause shall oblige the Company to keep any of it in a better state of repair or in better working order or condition than they are at the date of this Deed, or than is required for the business of the Company, and in all cases subject to fair wear and tear;
- (b) immediately on request by the Security Agent, affix to any item of Plant and Machinery a durable notice of this Deed in such form as the Security Agent may require;
- (c) not make any material alterations or additions to any Plant and Machinery which are reasonably likely to depreciate, jeopardise or prejudice their value or marketability;
- (d) not remove any Plant and Machinery from the Real Property except for the purpose of maintenance pursuant to the terms of this Deed.

9.3 Insurance

In addition to complying with any requirements as to insurance in the Finance Documents, each Company shall:

- (a) have the interest of the Security Agent as mortgagee noted on all relevant policies;
- (b) ensure that all policies in relation to the Charged Property are on such terms and contain such clauses as the Security Agent may reasonably require and in particular will require the relevant insurer to inform the Security Agent of:
 - (i) any cancellation, alteration, termination or expiry of any such insurance at least 30 days before it is due to take effect;
 - (ii) any default in payment of any premium or failure to renew at least 30 days before the renewal date; or
 - (iii) any act, omission or event of which the insurer has knowledge which may make any insurance void, voidable or unenforceable (in whole or in part);
- (c) promptly pay all premiums relating to all policies of insurance including the Key-person Policy;
- (d) supply to the Security Agent on request copies of each policy of insurance required to be maintained in accordance with this Deed together with current premium receipts relating to it;
- (e) not do or permit to be done or omit to do anything which may render any insurance (including the Key-person Policy) void, voidable or unenforceable (in whole or in part) nor

vary, amend or terminate any such policy of insurance;

- (f) if it defaults at any time in effecting or maintaining such insurances (including the Key-person Policy) or in producing any such policy or receipt to the Security Agent on demand, authorise the Security Agent to take out or renew such policies of insurance in any sum which the Security Agent may reasonably think expedient. All moneys which are expended by the Security Agent in so doing shall be deemed to be properly paid by the Security Agent and shall be reimbursed by the Company on demand;
- (g) notify the Security Agent if any claim arises or may be made under the insurances;
- (h) give the Security Agent the sole right to conduct or settle any insurance claim;
- (i) authorise the Security Agent to give any discharge for insurance and to direct the application of all moneys received or receivable under any insurances either in making good the loss or damage in respect of which the same have been received or in or towards the discharge of the Secured Obligations.

9.4 Intellectual Property

Each Company shall:

- (a) observe and comply with all material obligations and laws to which it is subject in its capacity as registered proprietor, beneficial owner, user, licensor or licensee of its Intellectual Property or any part of it;
- (b) duly register in such register(s), or with such authorities as may be available for the purpose and in such name(s) as may be required by the law and practice of the place or registration, such of its Intellectual Property (and all assignments, licences and mortgages of it) as may be capable of registration in such places;
- (c) not change the specification referred to in any of its registrations of Intellectual Property or permit any disclaimer, condition, restriction, memorandum or other thing to be entered on the registration of any of the trade marks comprised within such Intellectual Property, the effect of which will be to materially and adversely affect the value of such trade marks;
- (d) not grant any licence to any person to use its Intellectual Property in any manner which will materially and adversely affect the value of such Intellectual Property; and
- (e) maintain a comprehensive, detailed and up-to-date centralised record of all its Intellectual Property (including details of agents engaged in relation to registrations of it) and, when reasonably requested by the Security Agent, immediately provide to the Security Agent a copy of such record and/or a summary of all its Intellectual Property created or acquired since the date of this Deed or the date of last notification.

9.5 Receivables

(a) The Borrower shall:

- (i) collect all of its Receivables promptly in the ordinary course of trading as agent for the Security Agent and immediately upon receipt pay all monies which it may receive in respect of those Receivables into (i) the Collections Account or (ii) such other account(s) with such bank, financial institution or other person as the Security Agent may from time to time direct and pending such payment, hold all moneys so received upon trust for the Security Agent;
- (ii) deal with the Receivables (both collected and uncollected) in accordance with any directions given in writing from time to time by the Security Agent; and
- (iii) not withdraw, attempt or be entitled to withdraw (or direct any transfer of) any

amount standing to the credit of the Collections Account without the prior consent of the Security Agent.

- (b) Each Company (other than the Borrower) shall:
- (i) deal with its Receivables in accordance with any directions given in writing from time to time by the Security Agent and, in the absence of such directions, hold its Receivables on trust for the benefit of the Security Agent;
 - (ii) after the security constituted by this Deed becomes enforceable, comply with any notice served by the Security Agent on the Company prohibiting the Company from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, except with the prior written consent of the Security Agent;
 - (iii) if called upon so to do by the Security Agent, execute a legal assignment of the Receivables to the Security Agent in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Receivables are due, owing or incurred; and
 - (iv) deliver to the Security Agent such information as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require.

9.6 Investments

Each Company shall:

- (a) promptly pay all calls or other payments which may become due in respect of the Investments;
- (b) promptly send to the Security Agent copies of all notices, circulars, reports, accounts and other documents which are sent to the holders of any Investments;
- (c) at the request of the Security Agent, procure all consents, waivers and approvals which are necessary, under the articles of association of any Issuer or otherwise, for the transfer of the Investments to the Security Agent or its nominee or to a purchaser upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of each Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer;
- (d) if so requested by the Security Agent:
 - (i) instruct any clearance system to transfer any Investment held by it for the Company or its nominee to an account of the Security Agent or its nominee with that clearance system; and
 - (ii) take whatever action the Security Agent may request for the dematerialisation or re-materialisation of any Investment held in a clearance system;
- (e) without prejudice to the above, permit the Security Agent, at the expense of the Company, to take whatever action it deems necessary for the dematerialisation or re-materialisation of any Investment;
- (f) until the security constituted by this Deed becomes enforceable, be entitled to:
 - (i) receive and retain all dividends, distributions and other moneys paid on or derived from the Investments; and
 - (ii) exercise all voting and other rights and powers attaching to the Investments provided that it must not do so in a manner which is prejudicial to the interests of the

Security Agent under this Deed;

- (g) after the security constituted by this Deed becomes enforceable:
 - (i) hold all dividends, distributions and other moneys paid on or derived from the Investments on trust for the Security Agent and pay the same immediately upon receipt into the Collections Account; and
 - (ii) comply and procure that its nominees comply with any directions from the Security Agent concerning the exercise of all voting and other rights and powers attaching to the Investments;
- (h) at any time after the security constituted by this Deed becomes enforceable, permit the Security Agent to complete the instrument(s) of transfer for the Investments on behalf of the Company in favour of itself or such other person as it may select.

9.7 Material Contracts

Each Company shall:

- (a) not, without the prior written consent of the Security Agent, amend or waive any term of any Material Contract, terminate any Material Contract or release any other party from its obligations under any Material Contract;
- (b) duly perform its obligations under each Material Contract, notify the Security Agent of any material default by it or any other party under any Material Contract and not take any action which would reduce or impede recoveries in respect of any Material Contract;
- (c) provide to the Security Agent, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Material Contract.

9.8 Goodwill

Each Company shall:

- (a) not, except with the prior written consent of the Security Agent, grant any franchise, licence or other authority to any person to use its company name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of the Company;
- (b) where the prior written consent of the Security Agent had been given under Clause 8.9(a), comply with Clause 9.5 (*Receivables*) in relation to any income or monies receivable in respect of such franchise, licence or authority as if such income or monies were Receivables.

9.9 Uncalled capital

Each Company shall:

- (a) not call up, or receive in advance of its due date, any uncalled capital; and
- (b) promptly apply any paid capital towards the repayment, in full or in part, of the Secured Obligations.

10 ENFORCEMENT OF SECURITY

10.1 Enforcement

The security constituted by this Deed shall become immediately enforceable at any time upon the occurrence of an Event of Default which is continuing.

10.2 Powers on enforcement

At any time after the security created under this Deed becomes enforceable, the Security Agent may, without notice to any Company and whether or not it has appointed a Receiver, exercise:

- (a) all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (b) all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and
- (c) all or any of the powers conferred by this Deed.

10.3 No Liability as Mortgagee in Possession

Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

11 POWERS OF THE SECURITY AGENT

11.1 Extension of Powers

The power of sale conferred on the Security Agent and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Deed.

11.2 Restrictions

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

11.3 Power of Leasing

At any time after the security created by this Deed becomes enforceable, the Security Agent may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

11.4 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Agent or any Receiver be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

11.5 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent or the Receiver itself or any subsequent delegation or revocation thereof.

11.6 Investigations

If any event of default (howsoever described) in any agreement between the Security Agent and a Company occurs then (while it is continuing), the Security Agent may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of a Company which it considers necessary to ascertain the financial position of the Company. All

fees and expenses incurred by the Security Agent in connection with such investigations shall be payable by the Company and the Company consents to the provision by the Security Agent of all information in relation to the Company which the Security Agent provides to any person in relation to the preparation of any such report.

11.7 Power to Remedy

If at any time a Company does not comply with any of its obligations under this Deed, the Security Agent may (but shall not be obliged to) rectify such default and the Company irrevocably authorises the Security Agent, its employees and agents, at the Company's expense, to do all such things as are necessary or desirable to rectify such default.

12 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

12.1 Appointment and Removal

- (a) At any time after the security created under this Deed becomes enforceable, or if requested to do so by a Company, the Security Agent may (by deed or otherwise and acting through its authorised officer):
 - (i) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
 - (ii) remove (so far as it is lawfully able) any Receiver(s) so appointed;
 - (iii) appoint another person(s) as an additional or replacement Receiver(s); and
 - (iv) appoint one or more persons to be an administrator of that Company.
- (b) Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by a Company under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Company with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:
 - (i) an event under this deed which causes any floating charge created by this deed to crystallise;
 - (ii) an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Borrower; or
 - (iii) a ground under this deed for the appointment of a Receiver.

12.2 Capacity of Receivers

Each Receiver shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes, deemed to be the agent of the relevant Company which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

13 POWERS OF RECEIVER

13.1 General Powers

Every Receiver shall have all the powers:

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

13.2 Additional Powers

In addition to the powers referred to in Clause 13.1 (*General Powers*) a Receiver shall have the power, at the cost of a Company and either in his own name or in the name of the Company or (with the written approval of the Security Agent) in the name of the Security Agent:

- (a) to take possession of, collect and get in all or any part of the Charged Property in respect of which the Receiver was appointed;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Company;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit (the consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments);
- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the Company;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Company (all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Obligations);
- (i) to promote the formation of subsidiaries of the Company for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Security Agent or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights

as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or

- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

14 APPLICATION OF MONEYS

14.1 Application

- (a) All moneys received or recovered by the Security Agent or any Receiver pursuant to this Deed shall (subject to the rights and claims of any person having security ranking in priority to the security constituted by this Deed) be applied in the following order:
 - (i) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Security Agent or any Receiver and the payment of the remuneration of any Receiver;
 - (ii) second, in or towards payment of any debts or claims which are required by law to be paid in preference to the Secured Obligations, but only to the extent to which such debts or claims have such preference;
 - (iii) third, in or towards payment of all matters referred to in the first three paragraphs of Section 109(8) of the Law of Property Act 1925 (other than the remuneration of the Receiver);
 - (iv) fourth, in or towards satisfaction of the Secured Obligations; and
 - (v) fifth, any surplus shall be paid to the relevant Company or any other person entitled thereto.
- (b) Only money actually paid by the Receiver to the Security Agent, or received or recovered by the Security Agent under this Deed, shall be capable of being applied in or towards the satisfaction of the Secured Obligations and a Company shall have no rights in respect of the application by the Security Agent of any sums received, recovered or realised by the Security Agent under this Deed.

14.2 Suspense Account

Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full, the Security Agent and any Receiver may place and keep for such time as it thinks prudent any moneys received, recovered or realised under or by virtue of this Deed in a separate or suspense account to the credit of either a Company or of the Security Agent without any obligation to apply all or any part of such moneys in or towards the discharge of the Secured Obligations. Amounts standing to the credit of such Suspense Account shall bear interest at a fair market rate.

14.3 Avoidance of Payments

If the Security Agent reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Companies under this Deed and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

15 PROTECTION OF PURCHASERS

15.1 Receipts

The receipt of the Security Agent or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

15.2 Protection of Purchasers

No purchaser or other person dealing with the Security Agent or its delegate or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the contrary, or be concerned to see whether any such delegation by the Security Agent shall have lapsed for any reason or have been revoked.

16 POWER OF ATTORNEY

16.1 Appointment

Each Company, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably appoints the Security Agent, each person to whom the Security Agent shall from time to time have delegated the exercise of the power of attorney conferred by this Clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on the Company by this Deed that the Company has failed to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Security Agent and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

16.2 Ratification

Each Company ratifies and confirms to agree to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

17 CONTINUING SECURITY

17.1 Continuing Security

The security created by or pursuant to this Deed will be a continuing security for the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Security Agent may hold at any time for the Secured Obligations and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

17.2 Settlements conditional

Any release, discharge or settlement between a Company, the Security Agent shall be conditional upon no security, disposition or payment to the Security Agent by the Company or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Security Agent shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

18 NEW ACCOUNTS

If the Security Agent at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property it may open a new account or accounts

with a Company. If the Security Agent does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed to have received such notice and as from such time all payments made to the Security Agent shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Obligations.

19 EXPENSES AND INDEMNITY

19.1 Indemnity

Each Company shall, notwithstanding any release or discharge of all or any part of the security constituted by this Deed, indemnify the Security Agent, its agents, attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain:

- (a) in the exercise (or purported exercise) of any of the rights, powers or discretions vested in them by this Deed (or by law); and/or
- (b) in connection with or otherwise relating to this Deed or the Charged Property.

20 THE SECURITY AGENT

20.1 Trust

- (a) The Security Agent declares that it shall hold the Transaction Security on trust for the Secured Parties on the terms contained in this Deed.
- (b) Each of the parties to this Deed agrees that the Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Deed or in the Transaction Security Documents (and no others shall be implied).

20.2 No independent power

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any rights or powers arising under the Transaction Security Documents except through the Security Agent.

20.3 Security Agent's instructions

The Security Agent shall:

- (a) unless a contrary indication appears in this Deed, act in accordance with any instructions given to it by the Majority Lenders and shall be entitled to assume that (i) any instructions received by it from the Majority Lenders are duly given in accordance with the terms of the Finance Documents and (ii) unless it has received actual notice of revocation, that those instructions or directions have not been revoked; and
- (b) be entitled to request instructions, or clarification of any direction, from the Majority Lenders as to whether, and in what manner, it should exercise or refrain from exercising any rights, powers and discretions and the Security Agent may refrain from acting unless and until those instructions or clarification are received by it.

20.4 Security Agent's actions

Subject to the provisions of Clause 20.3 (*Security Agent's Instructions*):

- (a) the Security Agent may, in the absence of any instructions to the contrary, take such action in the exercise of any of its powers and duties under the Finance Documents which in its absolute discretion it considers to be for the protection and benefit of all the Secured Parties; and

- (b) at any time after receipt by the Security Agent of notice from the Majority Lenders directing the Security Agent to exercise all or any of its rights, remedies, powers or discretions under any of the Finance Documents, the Security Agent may, and shall if so directed by the Majority Lenders, take any action as in its sole discretion it thinks fit to enforce the Transaction Security.

20.5 Security Agent's discretions

The Security Agent may:

- (a) assume (unless it has received actual notice to the contrary from the Majority Lenders in its capacity as trustee for the Secured Parties) that (i) no Default has occurred and no Obligor is in breach of or default under its obligations under any of the Finance Documents and (ii) any right, power, authority or discretion vested by any Finance Document in any person has not been exercised;
- (b) if it receives any instructions or directions from the Majority Lenders to take any action in relation to the Transaction Security, assume that all applicable conditions under the Finance Documents for taking that action have been satisfied;
- (c) engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts (whether obtained by the Security Agent or by any other Secured Party) whose advice or services may at any time seem necessary, expedient or desirable;
- (d) rely upon any communication or document believed by it to be genuine and, as to any matters of fact which might reasonably be expected to be within the knowledge of a Secured Party, any Lender or an Obligor, upon a certificate signed by or on behalf of that person; and
- (e) refrain from acting in accordance with the instructions of the Majority Lenders (including bringing any legal action or proceeding arising out of or in connection with the Finance Documents) until it has received any indemnification and/or security that it may in its absolute discretion require (whether by way of payment in advance or otherwise) for all costs, losses and liabilities which it may incur in bringing any action or proceedings.

20.6 Security Agent's obligations

The Security Agent shall promptly inform the Lenders of:

- (a) the contents of any notice or document received by it in its capacity as Security Agent from any Obligor under any Finance Document; and
- (b) the occurrence of any Default or any default by an Obligor in the due performance of or compliance with its obligations under any Finance Document of which the Security Agent has received notice from any other party to this Deed.

20.7 Excluded obligations

Notwithstanding anything to the contrary expressed or implied in the Finance Documents, the Security Agent shall not:

- (a) be bound to enquire as to (i) whether or not any Default has occurred or (ii) the performance, default or any breach by an Obligor of its obligations under any of the Finance Documents;
- (b) be bound to account to any other Party for any sum or the profit element of any sum received by it for its own account;
- (c) be bound to disclose to any other person (including but not limited to any Secured Party) (i) any confidential information or (ii) any other information if disclosure would, or might in

its reasonable opinion, constitute a breach of any law or be a breach of fiduciary duty;

- (d) be under any obligations other than those which are specifically provided for in the Finance Documents; or
- (e) have or be deemed to have any duty, obligation or responsibility to, or relationship of trust or agency with, any Obligor.

20.8 Exclusion of Security Agent's liability

The Security Agent shall not accept responsibility or be liable for:

- (a) the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Security Agent or any other person in or in connection with any Finance Document or the transactions contemplated in the Finance Documents, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;
- (c) any losses to any person or any liability arising as a result of taking or refraining from taking any action in relation to any of the Finance Documents or the Transaction Security or otherwise, whether in accordance with an instruction from the Agent or otherwise unless directly caused by it gross negligence or wilful misconduct;
- (d) the exercise of, or the failure to exercise, any judgment, discretion or power given to it by or in connection with any of the Finance Documents, the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the Finance Documents or the Transaction Security; or
- (e) any shortfall which arises on the enforcement of the Transaction Security.

20.9 No proceedings

No Party (other than the Security Agent) may take any proceedings against any officer, employee or agent of the Security Agent in respect of any claim it might have against the Security Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Transaction Security and any officer, employee or agent of the Security Agent may rely on this Clause subject to Clause 1.3 (*Third party rights*) and the provisions of the Contracts (Rights of Third Parties) Act 1999.

20.10 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Obligor to any of the Charged Property;
- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any of the Finance Documents or the Transaction Security;
- (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any applicable laws in any jurisdiction or to give notice to any person of the execution of any of the Finance Documents or of the Transaction Security;

- (d) take, or to require any Obligor to take, any steps to perfect its title to any of the Charged Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under the laws of any jurisdiction; or
- (e) require any further assurances in relation to any of the Security Documents.

20.11 Insurance by Security Agent

- (a) The Security Agent shall not be under any obligation to insure any of the Charged Property, to require any other person to maintain any insurance or to verify any obligation to arrange or maintain insurance contained in the Finance Documents. The Security Agent shall not be responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy of any such insurance.
- (b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be responsible for any loss which may be suffered by reason of, directly or indirectly, its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Agent shall have requested it to do so in writing and the Security Agent shall have failed to do so within fourteen days after receipt of that request.

20.12 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any assets of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Deed or any document relating to the trust created under this Deed and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Deed or be bound to supervise the proceedings or acts of any person.

20.13 Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Obligor may have to any of the Charged Property and shall not be liable for or bound to require any Obligor to remedy any defect in its right or title.

20.14 Refrain from illegality

The Security Agent may refrain from doing anything which in its opinion will or may be contrary to any relevant law, directive or regulation of any jurisdiction which would or might otherwise render it liable to any person, and the Security Agent may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

20.15 Winding up of trust

If the Security Agent, with the approval of the Majority Lenders, determines that (a) all of the Secured Obligations and all other obligations secured by any of the Security Documents have been fully and finally discharged and (b) none of the Secured Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents, the trusts set out in this Deed shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents.

20.16 Powers supplemental

The rights, powers and discretions conferred upon the Security Agent by this Deed shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by general law or otherwise.

20.17 Trustee division separate

- (a) In acting as trustee for the Secured Parties, the Security Agent shall be regarded as acting through its agency or trustee division which shall be treated as a separate entity from any of its other divisions or departments.
- (b) If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it.

20.18 Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.

21 CHANGE OF SECURITY AGENT AND DELEGATION

21.1 Resignation of the Security Agent

- (a) The Security Agent may resign and appoint one of its affiliates as successor by giving notice to the Parent and the Lenders.
- (b) Alternatively the Security Agent may resign by giving notice to the other parties to this Deed in which case the Majority Lenders may appoint a successor Security Agent.
- (c) If the Majority Lenders have not appointed a successor Security Agent in accordance with paragraph (b) above within 30 days after the notice of resignation was given, the Security Agent (after consultation with the Agent) may appoint a successor Security Agent.
- (d) The retiring Security Agent shall, at its own cost, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Finance Documents.
- (e) The Security Agent's resignation notice shall only take effect upon (i) the appointment of a successor and (ii) the transfer of all of the Transaction Security to that successor.
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of Clause 20 (*The Security Agent*). Its successor and each of the other parties to this Deed shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original party to this Deed.

21.2 Delegation

- (a) The Security Agent may, at any time, delegate (including by power of attorney or otherwise) to any person for any period, all or any of the rights, powers and discretions vested in it by any of the Finance Documents.
- (b) The delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent may think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

21.3 Additional Security Agents

- (a) The Security Agent may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it (i) if it considers that appointment to be in the interests of the Secured Parties or (ii) for the purposes of conforming to any legal requirements, restrictions or conditions which the Security Agent deems to be relevant or (iii) for obtaining or enforcing any judgment in any jurisdiction, and the Security Agent shall give prior notice to the Parent and the Agent of that appointment.
- (b) Any person so appointed shall have the rights, powers and discretions (not exceeding those conferred on the Security Agent by this Deed) and the duties and obligations that are conferred or imposed by the instrument of appointment.
- (c) The remuneration that the Security Agent may pay to that person, and any costs and expenses incurred by that person in performing its functions as a result of that appointment shall, for the purposes of this Deed, be treated as costs and expenses incurred by the Security Agent.

22 MISCELLANEOUS

22.1 Assignment and disclosure of information

The Security Agent may assign and transfer all or any of its rights and obligations under this Deed. The Security Agent shall be entitled to disclose such information concerning the Companies and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

22.2 Accession Deed

Each Company:

- (a) consents to new Subsidiaries of the Parent becoming Companies as contemplated by the Finance Documents; and
- (b) irrevocably authorises the Parent to agree to and sign any duly completed Security Deed of Accession as agent and attorney for and on behalf of such Company.

22.3 Perpetuity Period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty five years from the date of this Deed.

22.4 No Liability

None of the Security Agent, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or willful default upon its part.

23 NOTICES

Each communication to be made under this Deed shall be made in accordance with the provisions of clause 24 (*Notices*) of the Facility Agreement.

24 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

25 GOVERNING LAW

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

THIS DEED has been signed on behalf of the Security Agent and **EXECUTED AS A DEED** by the Companies and is delivered by them on the date first specified above.

**SCHEDULE 1
THE COMPANIES**

Name of Company	Company number	Registered Office
Freedom Services Group Limited	10688089	Eden Point Three Acres Lane, Cheadle, Cheshire, England SK8 6RL
Freedom Services Limited	10643901	Eden Point Three Acres Lane, Cheadle, Cheshire, England SK8 6RL
Action 365 Ltd	3839322	Eden Point Three Acres Lane, Cheadle, Cheshire, England SK8 6RL
Freedom Brokers Ltd	10399389	Eden Point Three Acres Lane, Cheadle, Cheshire, England SK8 6RL

SCHEDULE 2 DETAILS OF CHARGED PROPERTY

Part I - The Real Property

Part A Registered Land

None at the date of this Deed.

Part B Unregistered Land

None at the date of this Deed.

Part II - Investments

Company	Name of Company in which shares are held	Class of shares held	Number of shares held
Freedom Services Group Limited	Freedom Services Limited	A Ordinary	90
Freedom Services Group Limited	Freedom Services Limited	B Ordinary	10
Freedom Services Limited	Action 365 Ltd	A Ordinary	350
Freedom Services Limited	Action 365 Ltd	D Ordinary	25
Freedom Services Limited	Action 365 Ltd	F Ordinary	25
Freedom Services Limited	Action 365 Ltd	C Ordinary	100
Freedom Services Limited	Action 365 Ltd	Preference Shares	100
Freedom Services Limited	Action 365 Ltd	B Preference Shares	100
Action 365 Ltd	Concierge Legal Services Ltd	A Ordinary	90
Action 365 Ltd	Concierge Legal Services Ltd	B Ordinary	10
Freedom Services Limited	Freedom Brokers Ltd	A Ordinary	100
Freedom Services Limited	Pukka Insure Limited	Ordinary Shares	450,000
Freedom Services Limited	Pukka Insure Limited	Ordinary Shares	50,000
Freedom Services Limited	Pukka (AUS) HoldCo Pty	Ordinary Shares	10

Part III – Intellectual Property

Trade Marks			
Patents			

Part IV – Material Contracts

Company	Date of Contract	Parties	Details of Contract

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Part V - Charged Accounts

Collections Accounts				
Account Holder	Account Name	Account Number	Sort Code	Account Bank and address
██████████ ██████████	██████████	██████████	██████████	████████████████████ ████████████████████ ████████████████████

Part VI – Key-person Policy

Company	Insurer	Life Assured	Date of Policy	Policy number	Amount of cover
Action 365 Ltd	Aegon	Samantha Anne White	17 June 2016	L0196239293	1,000,000

**SCHEDULE 3
NOTICES OF ASSIGNMENT**

Form of Notice of Assignment Account Bank

To: [Account Bank]

Date: []

Dear Sirs

We give notice that by a Debenture dated [], we have assigned and charged to Pont Finance Ltd (the "**Security Agent**") all our right, title and interest in and to all sums which are now or may from time to time in the future stand to the credit of:

Account Number []
Account Holder []

together with all interest accrued or accruing thereto and the debts represented by those sums (the "**Account**").

We hereby irrevocably instruct and authorise you:

- 1 to credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 to disclose to the Security Agent such information relating to the Account and the sums in the Account as the Security Agent may, at any time and from time to time, request;
- 3 to hold all sums from time to time standing to the credit of the Account to the order of the Security Agent;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of the Account in accordance with the written instructions of the Security Agent and us (jointly) at any time and from time to time; and
- 5 to comply with the terms of any written notice or instructions in any way relating to the Account or the sums standing to the credit of the Account from time to time which you may receive at any time from the Security Agent and us (jointly).

Please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Security Agent.

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

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at The Old Rectory, Wellington Square, Cheltenham, GL50 4JZ.

Yours faithfully

.....

Authorised Signatory

for and on behalf of
[Company]

[On Copy Only:]

Form of Account Bank Acknowledgement

To: Pont Finance Ltd

Date: []

Dear Sirs

We acknowledge receipt of a notice (the "**Notice**") in the terms set out above and confirm that:

- 1 we have not previously received notice of any previous assignments of, charges over or trusts in respect of the Account;
- 2 we have noted the restrictions imposed upon the Company and the authority of the Security Agent in respect of the Account and will not act in such a way as to breach those restrictions or to ignore the authority of the Security Agent;
- 3 we will act in accordance with the terms of the Notice; and
- 4 we waive all rights of set-off, combination or consolidation which we may have at any time in respect of the Account.

Yours faithfully,

.....

for and on behalf of
[Account Bank]

Form of Notice of Assignment of Contract Counterparty

To: *[Counterparty to Material Contract]*

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Pont Finance Ltd (the "**Security Agent**") all our right, title and interest in and to *[details of Material Contract]* (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be held to the order of the Security Agent or as it may specify in writing from time to time¹;
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract and all rights to compel performance of the Contract are exercisable by the Security Agent although we shall remain liable to perform all the obligations assumed by us under the Contract;
- 4 you are authorised and instructed, without requiring further approval from us, to disclose to the Security Agent such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent at *[address]* as well as to us;
- 5 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Contract without the prior written consent of the Security Agent.

These instructions may not be revoked or amended without the prior written consent of the Security Agent.

This notice is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at the address set out in paragraph 4 of this notice.

Yours faithfully

.....

Authorised Signatory

for and on behalf of

[Company]

[On copy only:]

Form of acknowledgement from Contract Counterparty

To: Pont Finance Ltd

¹ Alternatively, details of account into which sums are to be paid may be included.

Date: []

Dear Sirs

We acknowledge receipt of a notice dated [] (the "**Notice**") relating to the [*details of Material Contract*].

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that [*Company*] has assigned its rights under the Contract or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree not to exercise any right to terminate the Contract [or take any action to amend or supplement the Contract] without the prior written consent of the Security Agent.

Yours faithfully

.....
For and on behalf of
[Counterparty to Material Contract]

Position: []

Address: []

Telephone: []

Form of Notice of Assignment of Key-person Policy

To: [Insurer]

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Pont Finance Ltd (the "Security Agent") all our right, title and interest in and to the following key-person policy (the "Key-person Policy")

Insurer	Life Assured	Date of Policy	Policy number	Amount of cover
	Samantha Anne White			1,000,000

including all moneys which may be payable in respect of the Key-person Policy.

With effect from your receipt of this notice, we hereby irrevocably and unconditionally authorise and instruct you:

- 1 without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instruction from time to time received by you from the Security Agent relating to the Key-person Policy; and
- 2 to pay all sums payable by you under the Key-person Policy directly to the Security Agent at:
Bank: [•]
Account name: [•]
Account number: [•]
Sort code [•]
or such other account as the Security Agent may specify from time to time.
- 3 you are authorised and instructed, without requiring further approval from us, to disclose to the Security Agent such information relating to the Key-person Policy as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent at [address] as well as to us; and
- 4 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Key-person Policy without the prior written consent of the Security Agent.

These instructions may not be revoked or amended without the prior written consent of the Security Agent.

This notice is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at the address set out in paragraph 3 of this notice.

Yours faithfully

.....

Authorised Signatory

for and on behalf of

[Company]

[On copy only:]

Form of acknowledgement from Key-person Policy Insurer

To: Pont Finance Ltd

Date: []

Dear Sirs

We acknowledge receipt of a notice dated [] (the "**Notice**") relating to the Key-person Policy (as defined in the notice).

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that [*Company*] has assigned its rights under the Key-person Policy or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree not to exercise any right to terminate the Key-person Policy [or take any action to amend or supplement the Key-person Policy] without the prior written consent of the Security Agent.

Yours faithfully

.....
For and on behalf of
[Key-person Policy insurer]

Position: []

Address: []

Telephone: []

Form of Notice of Assignment to Insurers

To: *[Insurer]*

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Pont Finance Ltd (the "**Security Agent**") all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "**Policy**").

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

- 1 note the interest of the Security Agent on the Policy as Mortgagee and in addition endorse on the Policy the provisions set out in the attachment to this notice; and
- 2 disclose to the Security Agent, without further approval from us, such information regarding the Policy as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy (including all rights to compel performance) belong to and are exercisable by the Security Agent.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at The Old Rectory, Wellington Square, Cheltenham, GL50 4JZ.

Yours faithfully

.....

Authorised Signatory

for and on behalf of

[Company]

ENDORSEMENT

The Policy shall contain the following provisions or endorsements:

IT IS HEREBY CONFIRMED AND AGREED:

- 1 that the interest of [] (the "**Security Agent**") and any successor or assignee is noted on the Policy as first Mortgagee;
- 2 that the cover afforded by the Policy applies to *[insert short description of the properties/assets of the Insured to which the Policy relates]* (together the "**Properties and Assets**") of which *[insert name of Company]* (the "**Insured**") is the legal owner;
- 3 that any payments made in respect of claims in relation to the Properties and Assets shall, unless otherwise agreed by the Security Agent, be made to the Security Agent [who shall be

the sole loss payee and who alone shall have authority to give the Insurer a good discharge in respect of any such payment];

- 4 that the interest of the Security Agent in the Policy shall not be prejudiced by any act or neglect of the Insured or the occupier of any building insured under the Policy and the Insurer shall not allow the Policy to lapse without the Security Agent being notified in writing and being given a period of at least 30 days from the date of receipt of such notice during which it can rectify any defects and/or pay any additional premium;
- 5 that the following policy condition shall be deemed to form part of the Policy and, where necessary to give full effect to such condition, shall replace any existing contrary policy conditions:

"Waiver of Right of Recourse to Other Insurances

It is expressly understood and agreed that notwithstanding any contrary provision in this Policy, this Policy provides primary insurance for the Insured and that in the event of loss or damage to the insured property covered by this Policy which is also covered either in whole or in part under any other policy or policies of insurance effected by or on behalf of any of the parties comprising the Insured, the Insurer will indemnify the Insured as if such other policy or policies of insurance were not in force and the Insurer waives rights of recourse (to the extent it has any) arising out of any claim, recourse or any other action the Insurer may have against the insurers (or any of them) of such other policy or policies of insurance."

[On copy only:]

Form of acknowledgement from Insurer

To: [*Security Agent*]

Date: []

We acknowledge receipt of a notice dated [] relating to the Policy (the "**Notice**") and confirm that we have not received notice of any previous assignments of or charges over the Policy and that we will comply with the terms of the Notice and the endorsement attached to that Notice.

.....

for and on behalf of

[Insurer]

Form of Notice of Assignment to Issuer of Investments

To: *[name of Issuer of Investment]*

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Pont Finance Ltd (the "**Security Agent**") all of our right, title and interest in and to the securities listed in the Annex to this letter (the "**Investment**").

We have agreed that:

- 1 following receipt by you of a notice to that effect from the Security Agent, the Security Agent or its nominee may take our place and deal with you directly in relation to each Investment;
- 2 all payments under or in relation to any Investment shall be made to the Security Agent at *[insert details of Account]* or to its order as it may specify in writing from time to time;
- 3 if you pay any moneys into *[insert details of Account]* or any other account on the instructions of the Security Agent, we confirm that payment into such account or, as the case may be, compliance with such instructions, shall satisfy the debt owed to us to the extent of the moneys so paid; and
- 4 notwithstanding the assignment of the Investment, we shall remain liable to perform all our obligations under the Investment.

This notice shall be irrevocable, and may not be in any way varied, amended or supplemented, without the written consent of the Security Agent.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement in the enclosed copy letter and returning it to the Security Agent at The Old Rectory, Wellington Square, Cheltenham, GL50 4JZ.

Yours faithfully

.....

Authorised Signatory

For and on behalf of

[Company]

ANNEX

[List Investments and supporting documents owned by the Company]

[On Copy only:]

Form of acknowledgement from Issuer

To: *[Security Agent]*

Date: []

Dear Sirs

We acknowledge receipt of a notice dated [] (the "**Notice**") in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interest referred to in the Notice and that we will comply with the terms of the Notice.

We confirm that:

- 1 all sums due to the Company from ourselves under or in relation to each Investment shall be paid to [*insert details of relevant Account*] or as you shall otherwise instruct;
- 2 at any time after you deliver to us a notice to that effect, you and/or your nominee may, but shall not be obliged to, exercise all or any of the Company's rights under or in relation to the Investment (including, without limitation, the Company's right to require payment thereunder in accordance with the terms thereof); and
- 3 we shall owe all our obligations under the Investment to you in place of the Company.

Yours faithfully

.....

for and on behalf of

[Issuer of Investment]

SCHEDULE 4 SECURITY DEED OF ACCESSION

THIS DEED is made on [●]

Between

- (1) The companies listed in Schedule 1 (each an “**Acceding Company**” and together the “**Acceding Companies**”); and
- (2) [●] (registered in England with number [●]) (the “**Security Agent**”).

Whereas

- (A) This Deed is supplemental to a debenture dated [●] between, inter alia, the Companies and the Security Agent (the “**Debenture**”).
- (B) [The Acceding Companies have also entered into an Accession Deed to the Facility Agreement on or about the date of this Security Deed of Accession and by doing so appoint the Parent as its agent on the terms set out in the Accession Deed.]

It is agreed

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

- (a) Save to the extent otherwise defined in this Deed, terms defined in the Debenture have the same meaning when used in this Deed.
- (b) In this Deed

“**Charged Accounts**” means those Collateral Accounts and Collections Accounts specified against each Acceding Company in schedule 6 (*Charged Accounts*) to this Deed.

“**Investments**” means all shares present and future held by the Acceding Companies or their Subsidiaries including those listed in schedule 3 (*Investments*) to this Deed.

“**Intellectual Property**” means:

- (a) all present and future patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered including, without limitation, the intellectual property rights (if any) specified in schedule 4 (*Intellectual Property*) of this Deed;
- (b) the benefit of all applications and rights to use such assets; and
- (c) all Related Rights.

“**Material Contracts**” means:

- (a) the agreements listed in schedule 5 (*Material Contracts*) of this Deed;
- (b) any other contract entered into by a Company that may from time to time be identified in writing by the Security Agent as a Material Contract; and
- (c) all Related Rights.

“Real Property” means an Acceding Company’s estates or interests in all freehold (including commonhold), leasehold or other immovable property (including the property specified in schedule 2 (*Real Property*)) to this Deed, and any buildings, fixtures or fittings from time to time situated on or forming part of such property, and all Related Rights.

1.2 Interpretation

Clauses 1.2 (*Construction*), 1.3 (*Third Party Rights*), 1.4 (*Incorporation of Terms*) and 1.5 (*Deed of Priority*) of the Debenture are incorporated in this Deed as if they were set out in full in this Deed, but so that references in those clauses to **“this Deed”** shall be construed as references to this Deed.

2 ACCESSION OF ACCEDING COMPANY

2.1 Accession

The Acceding Companies agree to be a Company for the purposes of the Debenture with immediate effect and agree to be bound by all of the terms of the Debenture as if they had originally been a party to it.

2.2 Covenant to pay

Each Acceding Company covenants that it will pay and discharge the Secured Obligations to the Security Agent [when due in accordance with their respective terms / in accordance with the terms of the Finance Documents] (or if they do not specify a time for payment, immediately on demand by the Security Agent).

2.3 Charges

Without prejudice to the generality of clause 2.1 (*Accession*), each Acceding Company with full title guarantee, charges and assigns (and agrees to charge and assign) to the Security Agent for the payment and discharge of the Secured Obligations, all its right, title and interest in and to the property, assets and undertaking owned by it or in which it has an interest, on the terms set out in clauses 3.1 (*Fixed security*), 3.2 (*Security Assignment*), 3.3 (*Floating charges*) and 3.4 (*Qualifying floating charges*) of the Debenture including (without limiting the generality of the foregoing):

- (a) by way of legal mortgage, the Real Property (other than any Short Leasehold Property) and all Related Rights;
- (b) by way of fixed charge each of its accounts with any bank or financial institution at any time (including, without limitation, the Charged Accounts) and all monies at any time standing to the credit of such accounts.
- (c) by way of fixed charge:²
 - (i) all present and future Investments;
 - (ii) all Investment Derivative Rights;
 - (iii) where any Investment is held in a system for the deposit and settlement of transactions in Investments, all rights against the operator of such system or any participant in respect of such Investment;

² To the extent shares etc, have value, consider taking specific security.

- (d) by way of fixed charge, all present and future Intellectual Property; and
- (e) by way of fixed charge, all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under Clause 2.5.

2.4 Assignments

Each Acceding Company with full title guarantee assigns to the Security Agent as continuing security for the payment and discharge of the Secured Obligations all of its rights, title, interest and benefit from time to time in and to the Material Contracts.

2.5 Representations

Each Acceding Company makes the representations and warranties set out in this paragraph 2.6 and clause 8.4 (*Intellectual Property*) of the Debenture to the Security Agent [and to each other Secured Party] as at the date of this Accession Deed:

- (a) each Acceding Company is the sole legal and beneficial owner of all of the Charged Property identified against its name in schedules 2 to 6 (inclusive) of this Accession Deed;
- (b) schedule 2 identifies all freehold and leasehold Real Property (other than Short Leasehold Property) which is beneficially owned by each Acceding Company at the date of this Deed; and
- (c) the Investments listed in schedule 3 to the Accession Deed constitute the entire share capital owned by each Acceding Company in the relevant company [and constitute the entire share capital of each such company].

3 CONSENT OF EXISTING CHARGING COMPANIES

Pursuant to clause 20.2 (*Security Deed of Accession*) of the Debenture, the Parent (as agent for itself and the existing Companies):

- (a) consents to the accession of each Acceding Company to the Debenture on the terms of this Deed; and
- (b) agrees that the Debenture shall, after the date of this Deed, be read and construed as if each Acceding Company had been named in the Debenture as a Company; and
- (c) agrees to the terms of this Deed and agrees that its execution will in no way prejudice or affect any Security granted by any Company by or under the Debenture.

4 SECURITY POWER OF ATTORNEY

Each Acceding Company, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Acceding Company is obliged to take under this Deed or the Debenture. Each Acceding Company ratifies and confirms whatever any attorney does or prompts to do pursuant to its appointment under this clause 3(c).

5 NOTICES

The Acceding Companies confirm that their address details for notices in relation to clause 20 (*Notices*) of the Debenture are as follows:

Address:

Email:

Attention:

6 MISCELLANEOUS

- (a) This Deed is a Finance Document.
- (b) The Acceding Companies have entered into this Deed in consideration of the Security Agent making or continuing to make finance available to the Parent or any other member of the Group on the terms agreed in the Finance Documents.

7 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.

8 GOVERNING LAW AND JURISDICTION

Clauses 22 (*Governing law*) and 23 (*Jurisdiction*) of the Debenture shall be incorporated in this Deed as if set out here in full but so that references to the Debenture shall be construed as references to this Deed.

This Deed has been entered into as a deed on the date given at the beginning of this Deed.

Schedule 1

The Acceding Companies

Name	Jurisdiction of incorporation	Registered number

Schedule 2

Real Property

Company	Address	Title Number

Schedule 3

Investments

Company	Name of Company in which shares are held	Class of shares held	Number of shares held	Issued Share Capital

Schedule 4

Intellectual Property

Trade Marks			
Patents			

Schedule 5

Material Contracts

Company	Date of Contract	Parties	Details of Contract

Schedule 6

Charged Accounts

Cash Collateral Accounts				
Account Holder	Account Number	Sort Code	Type - Holding or Mandatory Prepayment	Account Bank and address

Collections Accounts			
Account Holder	Account Number	Sort Code	Account Bank and address

[Execution Clauses for Security Deed of Accession]

EXECUTION CLAUSES TO THE DEBENTURE

COMPANIES

EXECUTED as a **DEED** by
FREEDOM SERVICES GROUP LIMITED
acting by a director

)
)
)

.....
Director

in the presence of:

.....
Witness Signature

CHANTEL EMILIUS Name

.....
EXECUTIVE ASSISTANT
.....Occupation

EXECUTED as a **DEED** by
FREEDOM SERVICES LIMITED
acting by a director

)
)
)

.....
Director

in the presence of:

.....
Witness Signature

CHANTEL EMILIUS Name

.....
EXECUTIVE ASSISTANT
.....Occupation

SIGNATURE PAGES TO DEBENTURE

EXECUTED as a DEED by
ACTION 365 LTD
acting by a director

)
)
)



Director

in the presence of:



Witness Signature

CHANTEL EMILIUS

Name



Address

EXECUTIVE ASSISTANT

Occupation

EXECUTED as a **DEED** by
FREEDOM BROKERS LTD
acting by a director

)
)
)

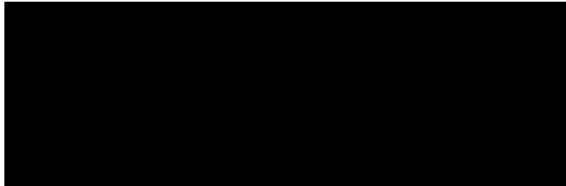

.....
Director

in the presence of:


.....

Witness Signature

CHANTEL EMILIUS..... Name



EXECUTIVE ASSISTANT.....Occupation

SECURITY AGENT

EXECUTED as a **DEED** by
PONT FINANCE LTD
acting by a director

)
)
)

.....
Director

EXECUTED as a **DEED** by)
FREEDOM BROKERS LTD)
acting by a director) Director

in the presence of:

.....
Witness Signature

..... Name

..... Address

.....

.....

.....Occupation

SECURITY AGENT

EXECUTED as a **DEED** by
PONT FINANCE LTD
acting by a director) Director

