

MR01

Particulars of a charge

233949/260

Laserform

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

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

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where the charge
instrument is not a document

MONDAY



A04 *A4JB4257* #12
COMPANIES HOUSE

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

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 4 9 1 8 1 7 3 /

Company name in full Bibby Factors Yorkshire Limited (the "Company") /

00008

For official use

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

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 0 m 1 m 0 y 2 y 0 y 1 y 5 /

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

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

Name U S Bank Trustees Limited (in its capacity as Bibby Security
Trustee) /

Name

Name

Name

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

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

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4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Not applicable

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement ①

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X *Hogan Lovells International LLP* X

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

MR01

Particulars of a charge

 Presenter information	
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	Peter Mills
Company name	Hogan Lovells International LLP
Address	Atlantic House
Holborn Viaduct	
Post town	London
County/Region	
Postcode	E C 1 A 2 F G
Country	United Kingdom
DX	57 London Chancery Lane
Telephone	+44 (20) 7296 2000

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

 Checklist
We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

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

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

 How to pay
A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.
Make cheques or postal orders payable to 'Companies House'.

 Where to send
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.
For companies registered in England and Wales: The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ DX 33050 Cardiff
For companies registered in Scotland: The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post)
For companies registered in Northern Ireland: The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG DX 481 N R Belfast 1

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number 4918173

Charge code: 0491 8173 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th October 2015 and created by BIBBY FACTORS YORKSHIRE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd November 2015

Dx

Given at Companies House, Cardiff on 6th November 2015



Companies House



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

DATED

20 OCTOBER 2015

BIBBY INVOICE FINANCE UK LIMITED
as Master Seller and Master Servicer

- and -

THE COMPANIES LISTED IN SCHEDULE 5
as Affiliated Sellers and Affiliated Servicers

- and -

Save for material redacted pursuant to
s8599 of the Companies Act 2006,
I certify that this is a true and
complete copy of the composite
original seen by me

BFS FUNDING I LIMITED
as Issuer

- and -

BARCLAYS BANK PLC
as O/D Provider

- and -

HSBC BANK PLC
as RCF Provider

- and -

Name: PETER MILLS
Title: Solicitor
Date: 29/10/2015

U.S. BANK TRUSTEES LIMITED
as Bibby Security Trustee

Hogan Lovells International LLP (Ref: 100155.02636)
Atlantic House, Holborn Viaduct, London, EC1A 2FG

BIBBY DEED OF CHARGE



Ref F2DD/6121748
001BB 62636

Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London, EC1A 2FG

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THIS DEED OF CHARGE is made on 20 October 2015

BETWEEN:

- (1) **BIBBY INVOICE FINANCE UK LIMITED**, a company incorporated under the laws of England and Wales, registered number 09351311, whose registered office is at 105 Duke Street, Liverpool, United Kingdom L1 5JQ in its capacity as the Master Seller and the Master Servicer (the "**Master Seller**" and "**Master Servicer**"),
- (2) **THE COMPANIES LISTED IN SCHEDULE 5** (each an "**Affiliated Seller**" and "**Affiliated Servicer**" and together the "**Affiliated Sellers**" and "**Affiliated Servicers**") (the Master Seller and Master Servicer, Affiliated Sellers and Affiliated Servicers, each a "**Chargor**" and together the "**Chargors**"),
- (3) **BFS FUNDING I LIMITED**, a company incorporated under the laws of Jersey, registered number 118379, whose registered office is at 47 Esplanade, St Helier, Jersey JE1 0BD (the "**Issuer**"),
- (4) **BARCLAYS BANK PLC**, a public limited company incorporated in England and Wales, registered number 01026167, whose registered office is at One Churchill Place, London E14 4HP in its capacity as overdraft facility provider under the Barclays Overdraft Facility Agreement (the "**O/D Provider**"),
- (5) **HSBC BANK PLC**, a company incorporated under the laws of England and Wales, registered number 00014259, whose registered office is at 8 Canada Square, London E14 5HQ in its capacity as revolving credit facility provider under the HSBC RCF Agreement (the "**RCF Provider**"), and
- (6) **U S. BANK TRUSTEES LIMITED**, a company incorporated under the laws of England and Wales, registered number 02379632, with registered office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR as trustee for the Bibby Secured Parties (the "**Bibby Security Trustee**", which expression in this Deed of Charge shall include such company, its successors and permitted assigns, and all other persons for the time being acting, their successors or permitted assigns, as the Bibby Security Trustee pursuant to this Deed of Charge for and on behalf of the Bibby Secured Parties in accordance with the terms of this Deed of Charge)

WHEREAS

- (A) The Issuer has authorised and determined to issue the Notes, to be constituted by the VFN Purchase Deed
- (B) The Issuer, amongst other things, has entered into the VFN Purchase Deed with, among others, the Note Purchasers, pursuant to which the Note Purchasers have agreed to subscribe for the Notes
- (C) The Chargors have entered into a series of transactions pursuant to which the proceeds of the Notes issued by the Issuer under the VFN Purchase Deed are to be applied to the payment of purchase price for the sale and assignment of Receivable Assets to the Issuer from time to time pursuant to the Intragroup Receivables Purchase Agreement and the Receivables Sale Agreement

- (D) Pursuant to the Transaction Documents the Chargors have made certain representations and warranties and undertakings for the benefit of the Issuer Secured Parties
- (E) The Issuer, amongst other things, has entered into the Issuer Deed of Charge to secure, among other things, all the obligations of the Issuer to the Issuer Secured Parties in respect of the Issuer Secured Obligations
- (F) The Chargors, amongst others, have entered into the Barclays Overdraft Facility Agreement with the O/D Provider pursuant to which the O/D Provider has agreed to make available to the Chargors on a gross basis an intra-day overdraft facility with a maximum available amount of £35 million (the "**O/D Facility**")
- (G) Bibby Invoice Finance UK Limited has entered into the HSBC RCF Agreement with the RCF Provider pursuant to which the RCF Provider has agreed to make available to Bibby Invoice Finance UK Limited a revolving credit facility with a maximum available commitment of £30 million (the "**RCF Facility**")
- (H) This Deed of Charge secures and shall secure, among other things, all the obligations of the Chargors to the Bibby Secured Parties in respect of the Bibby Secured Obligations

NOW THIS DEED OF CHARGE WITNESSES AND IT IS HEREBY AGREED AND DECLARED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed of Charge or the context requires otherwise, words and expressions used in this Deed of Charge have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in **Section 1** of the Master Definitions and Framework Deed signed by, amongst others, Bibby Invoice Finance UK Limited, BFS Funding I Limited and US Bank Trustees Limited on or about 20 October 2015 (the "**Master Definitions and Framework Deed**")

1.2 Interpretation

This Deed of Charge shall be construed in accordance with the principles of construction and interpretation set out in such Master Definitions Schedule

Save as expressly provided herein, any warranties or undertakings provided under this Deed of Charge are made to each other party to this Deed of Charge

1.3 Incorporation of Common Terms

The Common Terms as set out in **Section 2** of the Master Definitions and Framework Deed apply to this Deed of Charge and shall be binding on the parties to this Deed of Charge as if set out in full in this Deed of Charge

1.4 Conflict with Common Terms

If there is any conflict between the provisions of the Common Terms and the provisions of this Deed of Charge, the provisions of this Deed of Charge shall

prevail, unless any provision of this Deed of Charge relates to VAT, in which case the VAT provisions of the Common Terms shall prevail and provided that the provisions of **Clause 7** of the Common Terms shall prevail at all times

1 5 Obligor/Obligee

For the purpose of this Deed of Charge, **Clause 3.1** of the Common Terms applies to this Deed of Charge as if set out in full in this Deed of Charge and as if the Chargors were the Obligors and the Bibby Security Trustee were the Obligee for the purposes of such **Clause**

1 6 Governing Law and Jurisdiction

This Deed of Charge and all non-contractual obligations arising out of or in connection with it shall be governed by English law in accordance with **Clause 3.23(a)** of the Common Terms, except for any terms of this Deed of Charge which relate to (a) Northern Irish assets or which are particular to the laws of Northern Ireland, which shall be governed by and construed in accordance with the laws of Northern Ireland, or (b) Irish Assets or which are particular to the laws of Ireland, which shall be governed by and construed in accordance with the laws of Ireland **Clause 3.23** of the Common Terms applies, save as provided above, to this Deed of Charge as if set out in full in this Deed of Charge

1 7 Deed of Charge

This Deed of Charge is the Bibby Deed of Charge referred to in the Master Definitions and Framework Deed

2 COVENANT TO PAY

Each Chargor covenants with and undertakes to the Bibby Security Trustee (for the Bibby Security Trustee's own account and as security trustee for the Bibby Secured Parties) that it shall duly and punctually pay or discharge, without deduction, set-off or counterclaim, the Bibby Secured Obligations in the manner and at the times provided in the Master Definitions and Framework Deed, this Deed of Charge and the other Transaction Documents, subject to the other provisions of this Deed of Charge

3 GUARANTEE

3 1 Pursuant to and in accordance with this **Clause 3, each Chargor**

- (a) irrevocably and unconditionally guarantees to the Bibby Security Trustee on behalf of the Bibby Secured Parties the due and punctual performance and discharge by each other Bibby Transaction Party of the Bibby Secured Obligations as they fall due, and
- (b) shall, as a separate and independent primary obligation, indemnify the Bibby Secured Parties from time to time on demand (such demand to be made by the Bibby Security Trustee on behalf of the relevant Bibby Secured Parties subject to the terms of this Deed of Charge) from and against any loss, cost, expenses or liability of any kind incurred by the Bibby Secured Parties as a result of

- (i) a Bibby Transaction Party failing to perform the Bibby Secured Obligations duly and punctually, or
- (ii) any of the Bibby Secured Obligations being or becoming void, voidable, unenforceable or ineffective against a Bibby Transaction Party for any reason whatsoever, whether known to the Bibby Secured Parties or not,

(the "**Guarantee**")

- 3 2 The Guarantee shall be absolute, unconditional and irrevocable irrespective of any defence otherwise available to a surety or guarantor
- 3 3 The Guarantee shall continue to be in full force and effect or shall be reinstated, as the case may be, if (i) any Chargor becomes subject to any Act of Insolvency after the Final Discharge Date, and (ii) any payment or other satisfaction of any Chargor's obligations is rescinded or must otherwise be restored or returned, as though such payment had not been made or other satisfaction occurred
- 3 4 The Guarantee shall be a continuing security and is in addition to and independent of every other security or guarantee which the Bibby Security Trustee on behalf of the Bibby Secured Parties may hold in respect of the Bibby Secured Obligations. The Guarantee shall continue in full force and effect despite any settlement of account or intermediate payment until
 - (a) all amounts due from each Bibby Transaction Party in respect of the Bibby Secured Obligations have been paid in full, and
 - (b) no Bibby Transaction Party has any liability in respect of the Bibby Secured Obligations
- 3 5 Each Chargor hereby waives
 - (a) any failure or delay on the part of the Bibby Security Trustee in asserting or enforcing any rights or in making any claims or demands under this Deed of Charge,
 - (b) until the later of the Final Discharge Date and the payment in full in cash of all obligations of each Bibby Transaction Party in respect of the Bibby Secured Obligations, any right of subrogation (whether contractual, at law or in equity or otherwise) to the claims of any Bibby Security Trustee or any other Bibby Secured Party against a Bibby Transaction Party and all contractual, statutory or legal or equitable rights of contribution, reimbursement, indemnification, set-off, counterclaim, defences and similar rights and claims which a Chargor might now have or hereafter acquire against any Bibby Transaction Party that arise from the existence or performance of the Chargors' respective obligations under the Guarantee (or this Deed of Charge generally), and
 - (c) any right (whether now existing or hereafter arising) to require the Bibby Security Trustee or any other Bibby Secured Party
 - (i) to accelerate the maturity of any Bibby Secured Obligations,

- (ii) to attempt to collect from any Bibby Transaction Party any amounts owing by such Bibby Transaction Party to any Bibby Secured Party,
 - (iii) to file any claims in the event of receivership, bankruptcy, examination, administration, arrangement or reorganisation (or analogous proceeding under any applicable law) of any Bibby Transaction Party or any other Transaction Party, or
 - (iv) to proceed against any Bibby Transaction Party or any other guarantor or any other Transaction Party, to proceed against or exhaust any security or collateral for any of the Bibby Secured Obligations, or to exercise any right of set-off or any other means of obtaining payment or performance of any of the Bibby Secured Obligations
- 3 6 The obligations of the Chargors and the rights, powers and remedies of the Bibby Security Trustee or any other Bibby Secured Parties under the Guarantee will not be affected by an act, omission, matter or thing which, but for the Guarantee, would reduce, release or prejudice any of those liabilities, obligations, rights, powers or remedies under the Guarantee (without limitation and whether or not known to it or the Bibby Security Trustee or any other Bibby Secured Party)
- 3 7 Neither the Bibby Security Trustee nor any other Bibby Secured Parties shall be obliged before taking steps to enforce any of their rights or remedies under the Guarantee
 - (a) to make any demand against any of the Bibby Transaction Parties,
 - (b) to take any action or obtain judgment or decree in any court against any Bibby Transaction Party or any other person, or
 - (c) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any Bibby Transaction Party or any other person, or
 - (d) to make demand, enforce or seek to enforce any claim, right or remedy against any of the Chargors or any other person
- 3 8 Until the Final Discharge Date, the Bibby Security Trustee on behalf of the Bibby Secured Parties may hold any money received under or by virtue of the Guarantee or any other guarantee or security for the Bibby Secured Obligations for so long and in such manner as the Bibby Security Trustee on behalf of the Bibby Secured Parties may determine without any obligation to apply all or any part of it towards discharging any obligations of any Bibby Transaction Party to any of the Bibby Secured Parties in respect of the Bibby Secured Obligations
- 3 9 Without prejudice to any other provisions of this **Clause 3**, each Chargor expressly confirms that it intends that the Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Transaction Documents and/or any of the transactions contemplated therein

4 SECURITY

4.1 Receivables and Client Agreements

Each Chargor, by way of first fixed security for the discharge of the Bibby Secured Obligations with (subject to **Clause 9.3**) full title guarantee (or, in the case of any assets situated in, or governed by the laws of, Northern Ireland, as beneficial owner) and subject to **Clause 5** and **Clause 7** hereby conveys, transfers and assigns to and in favour of the Bibby Security Trustee all of its rights, title, interest and benefit, present and future, in, under and to

- (a) any Receivable Assets,
- (b) each Factoring Agreement, each Invoice Discounting Agreement, each Client Security Agreement, the Bibby Security Trust Deed and all other Client Agreements, in the case of the Master Seller to the extent assigned to the Master Seller pursuant to the Intragroup Receivables Purchase Agreement, and
- (c) (in each case to the extent assignable) all monies, rights, powers and property whatsoever which may from time to time be distributed or derived from, or accrue on, or relate to, the Receivable Assets or the Credit Insurance Policy or any related Factoring Agreement or Invoice Discounting Agreement, Client Security Agreement, the Bibby Security Trust Deed and all other Client Agreements, in any way whatsoever including all rights to receive payment of any amounts which may become payable to the Issuer thereunder, all payments received by the Issuer thereunder, all rights to serve notices, give consents and/or make demands thereunder and/or otherwise act thereunder and pursuant thereto (including to take such steps as are required to cause payments to become due and payable thereunder), all rights of action in respect of any breach thereof, all rights to receive damages or obtain other relief in respect thereof and the proceeds of any of the foregoing,

to hold the same unto the Bibby Security Trustee as trustee for itself and the other Bibby Secured Parties. For avoidance of doubt, the bank accounts of the Chargors are not subject to the assignment under the **Clause 4.1** but are subject to the charge arising under **Clause 4.3**

4.2 The Chargors' contractual rights

Each Chargor, by way of first fixed security for the discharge of the Bibby Secured Obligations, with (subject to **Clause 9.3**) full title guarantee (or, in the case of any assets situated in, or governed by the laws of, Northern Ireland, as beneficial owner), and subject to **Clause 5** and **Clause 7**, hereby conveys, transfers and assigns absolutely (but subject to reassignment on redemption) to and in favour of the Bibby Security Trustee (to the extent capable of being assigned) all its right, title, interest and benefit (if any), present and future, in, under and to the following documents (together the "**Charged Documents**")

- (i) the Receivables Sale Agreement,
- (ii) the Master Definitions and Framework Deed,

- (iii) the Master Servicing Agreement,
- (iv) the Intragroup Receivables Purchase Agreement,
- (v) each Receivables Confirmation,
- (vi) the Declaration of Trust,
- (vii) the Subordinated Loan Agreement,
- (viii) the Credit Insurance Policy,
- (ix) the Barclays Overdraft Facility Agreement, and
- (x) the HSBC RCF Agreement,

and all other contracts, agreements, deeds and documents, present and future, relating to the Transaction Documents to which the relevant Chargor is or may become a party or in respect of which it has or may have any rights (except for any Transaction Documents governed by Scots law and excluding this Deed of Charge and the Bibby Security Interest Agreement) and including all rights to receive payment of any amounts which may become payable to the relevant Chargor thereunder (including the rights of Bibby Invoice Finance UK Limited to receive payments with respect to Deferred Purchase Price Entitlement and Subordinated Loans), the benefit of all covenants, undertakings, representations, warranties and indemnities thereunder, all payments received by the relevant Chargor, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder, all rights of action in respect of any breach thereof or default thereunder, and all rights to receive damages or obtain other relief in respect thereto and the proceeds of any of the foregoing, to hold the same unto the Bibby Security Trustee as trustee for itself and the other Bibby Secured Parties

Until the Security constituted by this Deed of Charge has become enforceable, each Chargor shall be entitled to exercise all its rights in the Charged Documents and to receive payments made in accordance with the applicable Priority of Payments and the other terms of the Transaction Documents (including **Clauses 4.14, 4.15, and 4.16** of the Master Definitions and Framework Deed), subject always to the conditions, limitations and other provisions of this Deed of Charge and the conditions, limitations and other provisions of the other Transaction Documents. For the avoidance of doubt, any amount paid to a Chargor in accordance with the then applicable Priority of Payments and the other terms of the Transaction Documents (including **Clauses 4.14, 4.15, and 4.16** of the Master Definitions and Framework Deed) shall be released from the Security created under this **Clause 4.2** but shall be subject always to the floating charge created under **Clause 4.3**.

4.3 Floating charge

As security for the payment and discharge of the Bibby Secured Obligations, each Chargor with (subject to **Clause 9.3**) full title guarantee (or, in relation to assets situated in, or governed by the law of Scotland with absolute warrandice or to assets situated in, or governed by the laws of, Northern Ireland, as beneficial owner) charges to the Bibby Security Trustee by way of first floating

charge the whole of its undertaking and assets, present and future, without prejudice and in addition to any assets validly and effectively charged or assigned (whether at law or in equity or otherwise) by way of fixed security under the laws of England and Wales or of the jurisdiction in which that asset is situated or the law of which governs the rights to that asset pursuant to this Deed of Charge, to hold the same unto the Bibby Security Trustee as security trustee for itself and the other Bibby Secured Parties. The floating charges created by this **Clause 4.3** are qualifying floating charges for the purpose of Schedule B1, paragraph 14(2)(a) of the Insolvency Act 1986 and paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to the floating charge created by this Deed of Charge.

4.4 Priority

- (a) Any fixed Security created by a Chargor and subsisting in favour of the Bibby Security Trustee shall (save as the Bibby Security Trustee may otherwise declare at or after the time of its creation) have priority over the relevant floating charge created by **Clause 4.3**.
- (b) If any Security is created in the future by a Chargor (except in favour of the Bibby Security Trustee) such Security shall be expressed to be subject to this Deed of Charge and shall rank in order of priority behind the charges and security created by or pursuant to this Deed of Charge.

4.5 No Transfer of Obligations

Notwithstanding anything else in this Deed of Charge, it is hereby agreed that the Bibby Security Trustee does not assume, nor shall the Bibby Security Trustee be obliged to perform, any obligations of any other party to this Deed of Charge or the other Transaction Documents or of any Chargor in respect of the Security and nothing in this Deed of Charge shall be construed so as to transfer any of such obligations to the Bibby Security Trustee.

4.6 Exclusion of Jersey Situs Assets

Notwithstanding anything else in this Deed of Charge, the Security created by this Deed of Charge excludes any assets validly secured by the Bibby Security Interest Agreement.

4.7 Applicable Time

The conveyances, transfers, assignments and charges under **Clauses 4.1** through **4.3** are made with automatic effect from and upon the occurrence of the Applicable Time.

5 DECLARATION OF TRUST

The Bibby Security Trustee hereby declares itself a trustee of the covenants, undertakings, charges, assignments and assignments and other Security Interests made or given or to be made or given under or pursuant to this Deed of Charge, and shall hold the same in trust, for itself and each Bibby Secured Party and in respect of the Bibby Secured Obligations owed to them respectively.

6 CRYSTALLISATION OF FLOATING CHARGES

6.1 Crystallisation by notice

The Bibby Security Trustee may at any time by notice in writing to the relevant Chargor (so far as permitted by applicable law) convert the floating charge created by **Clause 4.3** into a fixed charge with immediate effect as regards any asset comprised within the floating charge created by **Clause 4.3** and specified in the notice if

- (a) a Potential Trigger Event or Trigger Event has occurred,
- (b) an Event of Default (as defined in the HSBC RCF Agreement) has occurred and has not been waived by the RCF Provider,
- (c) the Bibby Security Trustee considers (acting reasonably) that any Seller Charged Property may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy, or
- (d) the Bibby Security Trustee considers (acting reasonably) that it is desirable to protect the priority of the Security constituted by or pursuant to this Deed of Charge

If no assets are specified in a notice given pursuant to this **Clause 6.1**, it shall take effect (so far as permitted by applicable law) over all the assets comprised within the relevant floating charge specified in the notice and created by **Clause 4.3**

6.2 Automatic crystallisation

Each floating charge created by **Clause 4.3** shall automatically (so far as permitted by applicable law) and without notice to the Chargors, be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if

- (a) any Chargor creates security over any asset comprised within the floating charge created by **Clause 4.3** other than pursuant to this Deed of Charge or attempts to do so or any such asset is disposed of contrary to the provisions of **Clause 12.4** or is otherwise in jeopardy,
- (b) any person creates a trust over any such asset (other than pursuant to the Transaction Documents),
- (c) any person (other than the Bibby Security Trustee) levies or attempts to levy any distress, execution, diligence, sequestration or other process against any such asset,
- (d) an Act of Insolvency has occurred in respect of any Chargor,
- (e) a Note Acceleration Notice or an Amortisation Event Notice has been served,
- (f) an Unarranged Overdraft has occurred,

- (g) the RCF Provider has exercised any of its rights under **Clause 24.17.2** of the HSBC RCF Agreement (excluding its rights under **Clause 24.17.2(a)**), or
- (h) any floating charge granted by any Chargor to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever

Nothing in this **Clause 6.2** shall affect the crystallisation of a floating charge created by the a Chargor under applicable law and, for the avoidance of doubt, each floating charge created by **Clause 4.3** may not be converted into a fixed charge solely by reason of

- (i) the obtaining of a moratorium, or
- (ii) anything done with a view to obtaining a moratorium, under the Insolvency Act 2000

6 3 Future floating charge assets

Except as otherwise stated in any notice given under **Clause 6.1** or unless that notice relates to all its assets comprised within the relevant floating charge created by **Clause 4.3**, prospective assets acquired by the relevant Chargor after crystallisation has occurred under **Clause 6.1** shall (so far as permitted by applicable law) become subject to the relevant floating charge created by **Clause 4.3**, so that the crystallisation shall be effective only as to the relevant assets in existence at the date of crystallisation

6 4 Reconversion

Any charge which has crystallised under **Clause 6.1** or **6.2** may, by notice in writing given at any time by the Bibby Security Trustee, acting at the direction of the Controlling Creditor, to the relevant Chargor (and so far as permitted by applicable law), be reconverted into a floating charge in relation to the assets specified in that notice

7 RELEASE OF CHARGED PROPERTY

7 1 Discharge of Bibby Secured Obligations

- (a) Subject to **Clause 7.1(b)** upon proof being given to the satisfaction of the Bibby Security Trustee (acting reasonably) as to either (i) the irrevocable and unconditional payment or discharge in full by the Bibby Transaction Parties of all of the Bibby Secured Obligations (both actual and contingent), or (ii) the release of such Bibby Secured Obligations by the Bibby Secured Parties entitled to such Bibby Secured Obligations, the Bibby Security Trustee shall, at the request and cost of the Chargors, but without being responsible for any loss, costs, claims or liabilities whatsoever occasioned by so acting upon such request or relying upon such proof, by executing a deed of release substantially in the form set out in **Schedule 3** hereto, release, retransfer, retrocess or reassign (as appropriate) the property charged or assigned by or pursuant to **Clause 4** to the Chargors or any other person entitled thereto at the direction of the Chargors of whom the Bibby Security Trustee has written notice

- (b) Notwithstanding the provisions of **Clause 7.1(a)** above
- (i) if any Chargor is required to sell and assign any Receivable Asset (and any Charged Property relating to such Receivable Asset) pursuant to the terms of the Intragroup Receivables Purchase Agreement, the Receivables Sale Agreement or any other Transaction Document, such Receivable Asset (and Charged Property relating to such Receivable Asset) shall be deemed to be released from the Security Interests constituted by this Deed of Charge, such release to take effect simultaneously with the completion of the relevant sale and assignment **provided that** (a) any proceeds of such sale and assignment shall, for the avoidance of doubt, immediately upon receipt by the relevant Chargor become subject to the floating charge created by **Clause 4.4** and (b) the relevant Receivable Asset (and related Charged Property) shall immediately upon completion of the relevant sale and assignment become subject to the Security Interests constituted by this Deed of Charge (in the case of a sale and assignment by an Affiliated Seller to the Master Seller pursuant to the Intragroup Receivables Purchase Agreement) or the Issuer Deed of Charge (in the case of a sale and assignment by the Master Seller to the Issuer pursuant to the Receivables Sale Agreement), and
 - (ii) upon exercise by the Master Seller or an Affiliated Seller of a Receivable Asset Call Option in respect of any Receivable Asset (and any Charged Property relating to such Receivable Asset) pursuant to the terms of the Receivables Sale Agreement or the Intragroup Receivables Purchase Agreement, respectively, for onward transfer of the relevant Receivable Asset (and any Charged Property relating to such Receivable Asset) to the relevant Client in accordance with Sections 8, 10 and 15.20 of the Credit and Collection Policy, such Receivable Asset (and Charged Property relating to such Receivable Asset) but only, for the avoidance of doubt, in so far as such Charged Property relates to such Receivable Asset) shall (A) immediately upon completion of the relevant sale and assignment from the Issuer or the Master Seller, as the case may be, become subject to the Security Interests constituted by this Deed of Charge if and to the extent that a Chargor acquires any right, title, interest or benefit in such Receivable Asset (and any Charged Property relating to such Receivable Asset), and thereafter (B) be deemed to be released from the Security Interests constituted by this Deed of Charge, such release to take effect simultaneously with the completion of the transfer of the relevant Receivable Asset (and any Charged Property relating to such Receivable Asset) to the relevant Client in accordance with Sections 8, 10 and 15.20 of the Credit and Collection Policy, **provided that** any proceeds of transfer shall, for the avoidance of doubt, immediately upon receipt by the relevant Chargor become subject to the floating charge created by **Clause 4.4**

- (c) If the Bibby Security Trustee considers (acting reasonably, and on the basis of legal advice where it reasonably considers it appropriate) that an amount paid by a Bibby Transaction Party to a Bibby Secured Party and/or the Bibby Security Trustee and/or the Receiver under or pursuant to the Transaction Documents is capable of being avoided, reduced or otherwise set aside by any insolvency, bankruptcy, liquidation or other similar laws or on the liquidation or administration of any Bibby Transaction Party or otherwise and that there is a reasonable prospect of such liquidation or administration occurring and of such payment being so avoided or set aside, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed of Charge and the Security constituted by or pursuant to this Deed of Charge shall continue as if the release or discharge or arrangement had not occurred and the Security shall, to the greatest extent possible, be restored

7.2 Survival

The provisions of and indemnities set out in **Clause 15** and **Clause 14.16** will survive the termination or expiry of this Deed of Charge, the Master Definitions and Framework Deed or any release of any of the Charged Property and shall continue in full force and effect as regards the Bibby Security Trustee even if it no longer is the Bibby Security Trustee

8 NOTICES OF ASSIGNMENT

- 8.1 On the Closing Date each Chargor shall deliver to each of the parties to the Charged Documents, other than the Transaction Parties, notices of assignment in the form set out in **Schedule 2** and shall use reasonable endeavours to procure the delivery to the Bibby Security Trustee of acknowledgements from the addressees of such notices substantially in the forms set out in **Schedule 2**

9 FURTHER ASSURANCE

9.1 Necessary action

Without prejudice to the generality of **Clause 3.1** of the Master Definitions and Framework Deed and the powers of the Bibby Security Trustee thereunder, each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary and may reasonably be requested by the Bibby Security Trustee for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Bibby Security Trustee by or pursuant to this Deed of Charge **provided** always that the Chargors shall not be required to perfect the Security constituted by or pursuant to this Deed of Charge by serving notice on any Clients or Debtors unless the Security constituted by or pursuant to this Deed of Charge has become enforceable and the Bibby Security Trustee requests that it do so by serving written notice to such effect on the relevant Chargor. For the avoidance of doubt, the Bibby Security Trustee shall only serve notice on the relevant Chargor to perfect the Security by serving notice on any Clients or Debtors if the Bibby Security Trustee is instructed to do so in accordance with **Clause 17.4**

9 2 Consents

Each Chargor shall use all reasonable endeavours to obtain (in form and content satisfactory to the Bibby Security Trustee) as soon as possible any consents necessary to enable the assets of the relevant Chargor to be the subject of an effective fixed charge or security or assignment or assignation pursuant to **Clause 4** and, immediately upon obtaining any such consent, the asset concerned shall become subject to such Security pursuant to **Clause 4** and the relevant Chargor shall promptly deliver a copy of each consent to the Bibby Security Trustee. For the avoidance of doubt, the relevant Chargor shall not be required to seek or obtain any consent from any Debtor.

9 3 Implied covenants for title

The obligations of each Chargor under this Deed of Charge shall be in addition to the covenants for title deemed to be included in this Deed of Charge by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 and, to the extent applicable, by virtue of Section 7 of the Conveyancing Act 1881, **provided** that

- (a) in respect of any Charged Property that was acquired by the Master Seller from an Affiliated Seller in accordance with the Intragroup Receivables Purchase Agreement, any such implied covenants of title by the Master Seller shall be deemed to be given subject to (i) any defect in or limitation to the relevant Affiliated Seller's title to such Charged property at the time of such acquisition and (ii) any limitations on the equivalent implied covenants in respect of such Charged Property included in the Intragroup Receivables Purchase Agreement, and
- (b) any Security granted by a Chargor pursuant to **Clause 4.1** is given subject to the sales and assignments and other transactions set out in the Intragroup Receivables Purchase Agreement, the Receivables Sale Agreement (and the documents delivered pursuant thereto including each Receivables Confirmation) and any other Transaction Documents and subject to the release provisions in that regard set out in **Clause 7.1(b)**

10 SUBORDINATION

10 1 Ranking

Subject to the terms of this Deed of Charge and this **Clause 10** in particular

- (a) the Subordinated Debt is subordinate in right of payment to the Senior Debt, and
- (b) repayment of any amount of the Subordinated Debt is conditional upon the Chargors having unconditionally and irrevocably paid and discharged in full all of the Senior Debt

10 2 Undertakings of the Chargors with respect to subordination

- (a) Except as provided in **paragraph (b)** below, during the Subordination Period each Chargor must not

- (i) - pay or repay, or make any distribution in respect of or redeem any of the Subordinated Debt, in cash or kind, save as permitted by this **Clause 10**,
 - (ii) discharge any of the Subordinated Debt by set-off,
 - (iii) create or allow to exist any Security over any of its assets for any of the Subordinated Debt other than as exists under this Deed of Charge, or
 - (iv) take or omit to take any action which might impair the subordination achieved or intended to be achieved by this Deed of Charge and this **Clause 10** in particular
- (b) Notwithstanding **paragraph (a)** above, each Chargor may
 - (i) unless the Security constituted by **Clause 4** has become enforceable (in which case **Clause 11** will apply), pay interest or repay principal on any Subordinated Debt or pay any fees, costs or expenses in relation to any Subordinated Debt including any payment made pursuant to **Clause 24.17.4** of the HSBC RCF Agreement but only to the extent necessary to cure the relevant "Commitment Breach" (as defined therein) and only so long as no Standstill Period is then in effect,
 - (ii) make any other payment expressly allowed under this Deed of Charge, and
 - (iii) do anything otherwise prohibited by **paragraph (a)** above if, and only to the extent that, the Controlling Creditor specifically agrees in writing that it may take such action
- (c) Each Chargor acknowledges and agrees that if, at any time after the Security becomes enforceable under **Clause 11**, any payment or distribution is received by it, or it is otherwise entitled to receive any payment or distribution, in each case as an Issuer Secured Party from any source under any of the applicable Priorities of Payment, such Chargor shall hold the amount received by it (up to a maximum of an amount equal to the Bibby Secured Obligations) on trust for the other Bibby Secured Parties in respect of whom Bibby Secured Obligations remain outstanding (on an actual or contingent basis) and immediately pay that amount (up to that maximum) to the Bibby Security Trustee for application towards the Bibby Secured Obligations payable in relation to the Securitisation Liabilities, the O/D Liabilities and the RCF Liabilities in accordance with the Bibby Enforcement Priority of Payments

10.3 Undertakings of the Subordinated Facility Providers

- (a) Except as provided in **paragraph (b)** below, during the Subordination Period a Subordinated Facility Provider must not
 - (i) demand or receive payment of, or any distribution in respect or on account of, any of the Subordinated Debt in cash or in kind from a

Bibby Transaction Party or any other source, save as permitted by this Deed of Charge,

- (ii) apply any money or assets in discharge of any Subordinated Debt,
 - (iii) discharge any of the Subordinated Debt by set-off,
 - (iv) allow to exist or receive any Security for any of the Subordinated Debt other than as exists under this Deed of Charge,
 - (v) allow any of the Subordinated Debt to be evidenced by a negotiable instrument, or
 - (vi) take or omit to take any action which might impair the subordination achieved or intended to be achieved by this Deed of Charge and this **Clause 10** in particular
- (b) Notwithstanding **paragraph (a)** above, a Subordinated Facility Provider may
- (i) receive any payment expressly allowed under this Deed of Charge (including **Clause 10 2(b)(i)**), and
 - (ii) do anything prohibited by **paragraph (a)** above if, and only to the extent that, the Controlling Creditor specifically agrees in writing that it may take such action

10 4 Turnover of non-permitted recoveries

- (a) If during the Subordination Period
- (i) a Subordinated Facility Provider receives a payment or distribution in respect of any of the Subordinated Debt from a Bibby Transaction Party or any other source other than as expressly permitted under this Deed of Charge, or
 - (ii) a Subordinated Facility Provider receives the proceeds of any enforcement of any Security or any guarantee or other assurance against financial loss for any Subordinated Debt other than as expressly permitted under this Deed of Charge,

the relevant Subordinated Facility Provider must hold the amount received by it (up to a maximum of an amount equal to the Senior Debt) on trust for the other Bibby Secured Parties and immediately pay that amount (up to that maximum) to the Issuer (or, following the delivery of a Note Acceleration Notice, the Security Trustee) or, following the Final Payout Date but prior to the O/D Discharge Date, the O/D Provider for application against the Senior Debt

- (b) If, for any reason, any of the Subordinated Debt is discharged in any manner other than as permitted under this Deed of Charge, the Subordinated Facility Provider to which the relevant Subordinated Debt relates must immediately pay an amount equal to the amount discharged to the Issuer (or, following the delivery of a Note Acceleration Notice, the

Security Trustee) or, following the Final Payout Date but prior to the O/D Discharge Date, the O/D Provider for application against the Senior Debt

10.5 Enforcement by Subordinated Facility Providers

- (a) During the Subordination Period, except as provided in **Clause 10.5(b)**, a Subordinated Facility Provider must not exercise any remedy or enforcement action for the recovery or acceleration of any Subordinated Debt, **provided** that, after the occurrence of an Act of Insolvency in relation to any Chargor which is initiated by a person other than a Subordinated Facility Provider or an Affiliate of a Subordinated Facility Provider, nothing in this **Clause 10.5** shall prevent a Subordinated Facility Provider from (i) accelerating any of that Chargor's O/D Liabilities or RCF Liabilities, as applicable, or declaring them prematurely due and payable or payable on demand, or (ii) proving or lodging a claim in any insolvency, bankruptcy or similar proceedings in relation to such Chargor
- (b) Notwithstanding **Clause 10.5(a)** or any other provisions of this Deed of Charge, a Subordinated Facility Provider may, at any time after the end of the Standstill Period (as defined below), exercise any remedy or enforcement action for the recovery or acceleration of any Subordinated Debt subject to the following conditions
 - (i) such Subordinated Facility Provider shall have provided notice of the applicable Default Event (as defined in **Clause 10.8**) to the Funding Agents and the other Bibby Secured Parties in accordance with **Clause 10.8**,
 - (ii) ten (10) Business Days (the "**Standstill Period**") shall have elapsed since the date on which the Funding Agents and the other Bibby Secured Parties received such notice, and
 - (iii) the applicable Default Event shall be "continuing" which for these purposes shall mean such Default Event has not been waived by the relevant Subordinated Facility Provider
- (c) For the avoidance of doubt
 - (i) during the Standstill Period, the Note Purchasers or Funding Agents, the O/D Provider or the RCF Provider may cease or otherwise restrict new funding to the extent permitted under its relevant documents,
 - (ii) a Subordinated Facility Provider may exercise any remedy or enforcement action for the recovery or acceleration of any Subordinated Debt permitted under **Clause 10.5(b)** only with respect to a Default Event as to which it has provided notice under **Clause 10.5(b)(i)** and as to which the conditions under **Clause 10.5(b)(iii)** are satisfied, and
 - (iii) a Subordinated Facility Provider may exercise remedies or enforcement action for the recovery or acceleration of any Subordinated Debt in relation to any other Default Event only after

complying with the requirements under **Clause 10 5(b)** with respect to such other Default Event

10 6 Continuing subordination

The subordination provisions in this **Clause 10** and elsewhere in this Deed of Charge constitute a continuing subordination and will benefit the ultimate balance of all of the Senior Debt, regardless of any intermediate payment or discharge in whole or in part

10 7 Amendments and Waivers

Notwithstanding the provisions of this **Clause 10**, each of the Bibby Secured Parties may amend or waive the terms of the Transaction Documents to which they are a party in accordance with their terms (and subject to any consent required under them) at any time, **provided that**

- (a) the maximum principal amount available or payable under each of the O/D Facility or the RCF Facility may not be increased without the prior written consent of the Required Note Purchasers,
- (b) the O/D Provider shall not amend the definition of "Unarranged Overdraft", as such term is used in the Barclays Overdraft Facility Agreement without the prior written consent of the Funding Agents,
- (c) the RCF Provider shall not amend
 - (i) the definition of "Event of Default" or "Post Standstill Enforcement Notice", as each such term is used in the HSBC RCF Agreement, or
 - (ii) **Clause 24.17.2** or **Clause 24.17.4** of the HSBC RCF Agreement, in each case without the prior written consent of the Funding Agents,
- (d) the Master Servicer shall provide the O/D Provider and the RCF Provider copies of any amendments to the Master Definitions and Framework Deed,
- (e) the definitions of Barclays CAS Arrangement, Bibby Secured Obligations, Bibby Secured Parties, Bibby Security Interest Agreement, Controlling Creditor, Final Discharge Date, Issuer Secured Obligations, Issuer Secured Parties, O/D Discharge Date, O/D Liabilities, RCF Discharge Date, RCF Liabilities, Securitisation Liabilities, Senior Debt, Subordinated Debt, Subordinated Facility Provider, Subordination Period, and Unarranged Overdraft in the Master Definitions and Framework Deed shall not be amended without the prior written consent of the O/D Provider and the RCF Provider, and
- (f) the definition of Reserve Test Deficiency in the Master Definitions and Framework Deed and the use of such term in the Transaction Documents shall not be amended without the prior written consent of the RCF Provider

10 8 **Notice of default**

Each Chargor and each of the Issuer, the O/D Provider and the RCF Provider hereby undertakes to promptly notify each other Party (other than any Bibby Transaction Party) and the Funding Agents of the occurrence of any event of default, termination event or other similar event (a "**Default Event**"), however described (or any event or condition which, upon the passage of time, the giving of notice or the making of any determination or certification, would constitute such a Default Event), in respect of any Bibby Transaction Party under the Transaction Documents to which it is a party. For the avoidance of doubt the occurrence of any Unarranged Overdraft will constitute a Default Event.

11 **ENFORCEMENT**

11 1 Following delivery (or deemed delivery in accordance with the VFN Purchase Deed, Barclays Overdraft Facility Agreement or HSBC RCF Agreement (as applicable)) of

- (a) a Note Acceleration Notice or Amortisation Event Notice,
- (b) notice from the O/D Provider making a demand for payment under the O/D Facility in respect of an Unarranged Overdraft (in each case only after the Standstill Period with respect to the relevant Unarranged Overdraft has ended), or
- (c) a Post Standstill Enforcement Notice (as defined in the HSBC RCF Agreement) initiating the exercise of acceleration rights under **Clause 24.17.2** of the HSBC RCF Agreement,

and, in each case, the receipt by the Bibby Security Trustee of a copy thereof, the Bibby Security Trustee shall notify each Chargor and all Bibby Secured Parties (of which it has notice details in the Transaction Documents) of such delivery and the Bibby Security Trustee shall apply (or instruct any Appointee acting on its behalf) to apply all monies received or recovered by it under this Deed of Charge, available for distribution in or towards the satisfaction of the amounts due and payable in accordance with the following order of priority (the "**Bibby Enforcement Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full and subject to the provisions of **Clause 11.2**)

- (a) *first*, in or towards satisfaction of the fees and indemnity payments (if any) payable by any Chargor to the Bibby Security Trustee and any costs, charges, liabilities and expenses incurred by it for which it is entitled to be reimbursed or indemnified by any Bibby Transaction Party under this Deed of Charge,
- (b) *second*, in or towards satisfaction, *pro rata*, according to the respective amounts due, of (i) any Securitisation Liabilities which are then due to the Issuer from any Bibby Transaction Party and any costs, charges, liabilities and expenses incurred by the Issuer for which it is entitled to be reimbursed or indemnified by any Bibby Transaction Party under or in relation to the Transaction Documents, and (ii) any Securitisation Liabilities which are then due to any Issuer Secured Party (other than a Bibby Transaction Party) from any Bibby Transaction Party and any costs,

charges, liabilities and expenses incurred by any Issuer Secured Party (other than a Bibby Transaction Party) for which it is entitled to be reimbursed or indemnified by any Bibby Transaction Party under or in relation to the Transaction Documents, ***it being understood and agreed*** that upon receipt all such amounts shall be applied by the Issuer and such Issuer Secured Parties (as applicable) or (following delivery of a Note Acceleration Notice) paid to the Security Trustee to be applied in accordance with **paragraphs (a) through (j)** of the Post-Acceleration Priority of Payments or the Amortisation Priority of Payments (as applicable),

- (c) *third*, in or towards satisfaction of any O/D Liabilities which are then due to the O/D Provider from any Bibby Transaction Party and any costs, charges, liabilities and expenses incurred by the O/D Provider for which it is entitled to be reimbursed or indemnified by any Bibby Transaction Party under or in relation to the Barclays Overdraft Facility Agreement,
- (d) *fourth*, in or towards satisfaction of any RCF Liabilities which are then due to the RCF Provider from any Bibby Transaction Party and any costs, charges, liabilities and expenses incurred by the RCF Provider for which it is entitled to be reimbursed or indemnified by any Bibby Transaction Party under or in relation to the HSBC RCF Agreement,
- (e) *lastly*, the surplus (if any) to the Chargors

11.2 The Parties hereby acknowledge and agree that amounts representing Securitisation Liabilities payable to Bibby Invoice Finance UK Limited in accordance with **paragraphs (h) through (j)** of the Post-Acceleration Priority of Payments or the Amortisation Priority of Payments (as applicable) constitute Seller Charged Property and shall be paid to the Bibby Security Trustee and applied in accordance with **paragraphs (c) and (d)** of the Bibby Enforcement Priority of Payments prior to the making of any payment or distribution to Bibby Invoice Finance UK Limited as an Issuer Secured Party. For the avoidance of doubt, notwithstanding the application of such payments in accordance with **Clause 11.2** the Issuer's obligations under the Transaction Documents to pay such amounts to Bibby Invoice Finance UK Limited shall, upon such payments being made by or on behalf of the Issuer in accordance with the Post Acceleration Priority of Payments or Amortisation Priority of Payments, as the case may be, to the Bibby Security Trustee in accordance with this **Clause 11.2**, be deemed to be discharged to the extent of any such payments

11.3 Until the Securitisation Liabilities payable to the Issuer or any Issuer Secured Party that is not a Bibby Transaction Party are fully determined and paid in full, amounts payable under the Bibby Enforcement Priority of Payments will be applied as and when such Securitisation Liabilities are so determined and, pending such application, will be held in accordance with **Clause 13.16** by the Bibby Security Trustee before any payments or distributions are made pursuant to **paragraphs (c) to (e)** of the Bibby Enforcement Priority of Payments

12 COVENANTS AND WARRANTIES OF THE CHARGORS IN RELATION TO THE SECURITY

12.1 Each Chargor hereby covenants with the Bibby Security Trustee to perform and comply with all the obligations and undertakings from time to time incumbent upon it in respect of the Security created by or pursuant to this Deed of Charge

12 2 Bibby Security Trustee Power of Attorney

Immediately upon the execution of this Deed of Charge, each Chargor shall execute and deliver to the Bibby Security Trustee the power of attorney in or substantially in the form set out in **Schedule 1**

12 3 Security Warranty

Each Chargor warrants to the Bibby Security Trustee that it has taken all necessary steps in accordance with the laws and regulations of the jurisdiction in which the asset(s) concerned is/are located or which have been declared applicable to such asset(s), as the case may be, to enable it to charge or (to the extent capable of doing so) assign as security its property charged by or pursuant to **Clause 4** and that it has taken no action or steps to prejudice its right, title and interest in and to its property charged by or pursuant to **Clause 4**

12 4 Negative Pledge

No Chargor (in each case, save as permitted by the Transaction Documents) shall create or permit to subsist any mortgage, standard security, charge, assignation in security, pledge, lien, (unless arising by operation of law) or other encumbrance or security interest of any kind including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction over the whole or any part of its present or future assets, revenues (including any uncalled capital) or undertaking, **provided** that (a) the bank accounts of the Chargors (excluding the Seller Collection Accounts) may be subject to a set-off right for the benefit of Barclays Bank plc in relation to liabilities under the Barclays CAS Arrangement in amount not to exceed £7,000,000 in aggregate on any single day, and (b) following a Default Event, such set-off right may only be exercised once to clear any liability existing under the Barclays CAS Arrangement on the day such Default Event is notified to Barclays Bank plc (it being understood that the set-off may occur after such day) and following any such set-off, the set-off right permitted under this proviso shall cease to apply

12 5 No release from obligations

So long as any of the Bibby Secured Obligations owed by any Chargor remain outstanding, each Chargor shall not, without the prior written consent of the Bibby Security Trustee, permit any party to any of the Transaction Documents whose obligations form part of the Security to be released from such obligations, except as may be permitted by this Deed of Charge or the terms of such Transaction Documents or with the consent of the Bibby Security Trustee

13 PROVISIONS RELATING TO THE SECURITY

13 1 Continuing security

Without prejudice to the generality of **Clause 2** the Security constituted by or pursuant to this Deed of Charge shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Bibby Secured Obligations but shall secure the ultimate balance of the Bibby Secured Obligations. The Security constituted by or pursuant to this Deed of Charge shall not be discharged or released by any act, event or matter whatsoever, except only (a) pursuant to **Clauses 7.1(a), 7.1(b) or 7 2** and/or (b)

by the execution by the Bibby Security Trustee of a deed of release substantially in the form set out in **Schedule 3** or the execution by or on behalf of the Bibby Security Trustee of a receipt for all (and not part only) of the Bibby Secured Obligations

13.2 Additional security

The Security constituted by or pursuant to this Deed of Charge shall be in addition to and shall not be affected by any other guarantee, lien, right of set-off or combination or other security now or hereafter held or rights exercisable by the Bibby Security Trustee or the Bibby Secured Parties for all or any part of the Bibby Secured Obligations. The Security is in addition to, and will not be merged in to, or in any way exclude or prejudice any other Security Interest or other right which the Bibby Security Trustee or any other Bibby Secured Party may now or at any time have (or would apart from the Security have) as regards the Chargors or any other person in respect of the Bibby Secured Obligations

13.3 Security immediately enforceable

(a) The Security constituted by or pursuant to this Deed of Charge shall become immediately enforceable upon the delivery (or deemed delivery in accordance with the VFN Purchase Deed, Barclays Overdraft Facility Agreement or HSBC RCF Agreement (as applicable))

- (i) a Note Acceleration Notice or Amortisation Event Notice,
- (ii) notice from the O/D Provider making a demand for payment under the O/D Facility in respect of an Unarranged Overdraft (in each case only after the Standstill Period with respect to the relevant Unarranged Overdraft has ended), or
- (iii) a Post Standstill Enforcement Notice (as defined in the HSBC RCF Agreement) initiating the exercise of acceleration rights under clause 24.17.2 of the HSBC RCF Agreement,

in each case with a copy to the Bibby Security Trustee, the Funding Agents, the O/D Provider and the RCF Provider. For the avoidance of doubt, the Bibby Security Trustee shall not be required to, and shall not have any responsibility to, take any action in respect of the Security created pursuant to this Deed of Charge prior to the Security becoming enforceable in accordance herewith (including, without limitation, not taking any action pursuant to a Power of Attorney) and thereafter shall only be required to act in accordance with **Clause 17.4**

(b) At any time after the Security constituted by or pursuant to this Deed of Charge shall have become enforceable, the Bibby Security Trustee (and any Receiver) may, and shall where so required, (but subject to the other provisions of this Deed of Charge including but not limited to **Clause 14.28** and **Clause 17.4**), take possession of and hold the Charged Property or any part thereof and/or, subject to **Clause 13.10**, sell, call in, collect and convert into money the Charged Property or any part thereof in such manner and upon such terms and at such price or prices and at such time or times as the Bibby Security Trustee shall in its absolute discretion deem appropriate (as to any or all of which manner, terms,

price and time the Bibby Security Trustee may rely absolutely upon the opinion of a financial adviser selected by it), and so that the power of sale conferred by Section 101 of the Law of Property Act 1925 and, to the extent applicable, (x) Section 19 of the Conveyancing Act 1881 and Section 4 of the Conveyancing Act 1911 and (y) Sections 100 to 102 of the Irish Conveyancing Act (but free from the restrictions imposed by Sections 93 and 103 of the Law of Property Act 1925 and, to the extent applicable, (x) Sections 17 and 20 of the Conveyancing Act 1881 and (y) Sections 92, 100(1), (2) and (3) and 103(2) of the Irish Conveyancing Act) shall apply and have effect on the basis that this Deed of Charge constitutes a mortgage within the meaning of that Act (except in relation to the Scottish Receivable Assets with respect thereto and any related Factoring Agreements or Invoice Discounting Agreements governed by Scottish Law) and the Bibby Security Trustee is a mortgagee exercising the power of sale conferred upon mortgagees by that Act or (in relation to the Scottish Receivable Assets with respect thereto and any related Factoring Agreements or Invoice Discounting Agreements governed by Scottish Law) is a security holder exercising its power of sale in accordance with Scots Law and on the footing that the power extends to a sale of any of the Charged Property either together or in parcels and either by public auction or private contract and either for a lump sum or for a sum payable by instalments or for a sum on account and a mortgage or charge for the balance and with or without any special stipulations as to title or evidence of commencement of title or otherwise which the Bibby Security Trustee shall deem proper and any such sale as aforesaid may be to a company formed or promoted by the Bibby Security Trustee or in which it has an interest and may be in consideration of shares, securities or obligations of such a company or of any other person. The Bibby Security Trustee shall also have power (without being responsible for any loss occasioned thereby)

- (i) to compromise and effect compositions, and
- (ii) for the purposes mentioned in this **Clause 13.3(b)** or any of them to execute and do all such assurances, deeds, acts and things as it shall think fit

13.4 Further Actions

Each Chargor hereby covenants and agrees with the Bibby Security Trustee that, after the Security constituted by or pursuant to this Deed of Charge has become enforceable, it will promptly on request take all such actions and execute all such documents as the Bibby Security Trustee or Receiver consider necessary to effect the enforcement of the Security created by or pursuant to this Deed of Charge in accordance with its terms (including, without limitation and for the avoidance of doubt giving notice to obligors of the assignments or assignations contemplated herein) and to facilitate the realisation of the Charged Property and the exercise of all powers, authorities and discretions vested in the Bibby Security Trustee or in any Receiver

13 5 Appointment of a Receiver

At any time after the Security constituted by or pursuant to this Deed of Charge shall have become enforceable (and so that no delay or waiver of the right to exercise the powers hereby conferred shall prejudice the future exercise of such powers), the Bibby Security Trustee may and, subject to **Clause 17.4**, at the direction of the Instructing Party, shall (so far as permitted by applicable law) by writing appoint a Receiver of the Charged Property or any part thereof and remove any Receiver so appointed and appoint another in his stead and the following provisions shall have effect in relation thereto

- (a) such appointment may be made either before or after the Bibby Security Trustee shall have taken possession of the Charged Property or any part thereof,
- (b) such Receiver may (subject to **Clause 13.10** be vested by the Bibby Security Trustee with such powers and discretions as the Bibby Security Trustee may think expedient and may sell or concur in selling the Charged Property or any part thereof, or assign or release, or give any notice or do any other act or thing in relation to, the whole or any part of the property charged by or pursuant to this Deed of Charge, in each case without restriction (including with the benefit of the power of sale conferred by Section 101 of the Law of Property Act 1925 and, to the extent applicable, (x) Section 19 of the Conveyancing Act 1881 and Section 4 of the Conveyancing Act 1911 and (y) Sections 100 to 102 of the Irish Conveyancing Act, but free from the restrictions imposed by Sections 17, 20, 93 and 103 of the Law of Property Act 1925 and, to the extent applicable, (x) Sections 17 and 20 of the Conveyancing Act 1881 and (y) Sections 92, 100(1), (2) and (3) and 103(2) of the Irish Conveyancing Act) and on such terms and for such consideration (if any) and in such manner and at such time as he may think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the relevant Chargor, or otherwise and without limiting any powers herein before referred to may exercise any of the powers specified in **Schedule 4**, **provided** that such Receiver shall not perform any of his functions hereunder in or from any jurisdiction which, or any taxing authority of which, would or could by virtue of such performance assess to tax any Chargor or the Bibby Security Trustee or the Charged Property in respect of income or gains accruing to the Charged Property unless such performance is required by law or is otherwise unavoidable,
- (c) such Receiver shall in the exercise of his powers, authorities and discretions conform to any regulations from time to time made and given by the Bibby Security Trustee,
- (d) the Bibby Security Trustee may from time to time fix the remuneration of such Receiver and direct payment thereof out of monies accruing to him in the exercise of his powers as such Receiver (including any fees, costs and expenses relating to its appointment), but the Chargors jointly and severally shall be liable for the payment of such remuneration,

- (e) the Bibby Security Trustee may from time to time and at any time require any such Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Bibby Security Trustee shall not be bound in any case to require any such security,
- (f) save so far as otherwise directed by the Bibby Security Trustee, all monies from time to time received by such Receiver shall be paid over to the Bibby Security Trustee and applied in accordance with this Deed of Charge and the Post-Acceleration Priority of Payments,
- (g) any Receiver shall be entitled to the benefit of all indemnities and all rights of retention that are given in favour of the Bibby Security Trustee pursuant to this Deed of Charge and the Transaction Documents,
- (h) every such Receiver shall be the agent of the Chargors for all purposes and the Chargors (not the Bibby Security Trustee or any other party) shall be responsible for his acts, defaults and misconduct and the Bibby Security Trustee shall not incur any liability therefore or by reason of its making or consenting to the appointment of a person as a Receiver under this Deed of Charge, and
- (i) the Bibby Security Trustee shall not be in any way responsible for any misconduct or negligence on the part of any such Receiver

13 6 Bibby Security Trustee's power to raise and borrow money on the Security

At any time after the Security constituted by or pursuant to this Deed of Charge shall have become enforceable, the Bibby Security Trustee may raise and borrow money on the Security of the Charged Property or any part thereof for the purpose of defraying any monies, costs, charges, losses and expenses paid or incurred by it in relation to this Deed of Charge (including the costs of realisation of any or all of the property charged pursuant to this Deed of Charge and the remuneration of the Bibby Security Trustee or the Receiver) or in exercise of any of the powers contained in this Deed of Charge or any Transaction Document to which the Bibby Security Trustee is a party. The Bibby Security Trustee may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the payment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Charged Property or any part thereof and either in priority to the Security constituted by this Deed of Charge or otherwise and generally in such manner and form as the Bibby Security Trustee shall think fit and for such purposes may execute and do all such assurances and things as it shall think fit

13 7 Actual receipts and liability following realisation

The Bibby Security Trustee shall not nor shall any Receiver or any attorney or agent of the Bibby Security Trustee by reason of taking possession of the Charged Property or any part thereof or for any other reason whatsoever and whether as mortgagee or security holder in possession or on any other basis whatsoever be liable to account to any Chargor or any other person whomsoever for anything except actual receipts or be liable to any Chargor or any other person whatsoever for any loss or damage arising from realisation of the Charged Property or any part thereof or from any act, default or omission in relation to the

Security constituted by or pursuant to this Deed of Charge or any part thereof or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to the Security constituted by or pursuant to this Deed of Charge or any part thereof or otherwise unless such loss or damage shall be caused by its own fraud, wilful default or negligence

13 8 Law of Property Act 1925

- (a) The powers conferred by this Deed of Charge in relation to the Security constituted by or pursuant to this Deed of Charge or any part thereof on the Bibby Security Trustee or on any Receiver of the property charged pursuant to this Deed of Charge or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and, to the extent applicable, (x) the Conveyancing Act 1881 and the Conveyancing Act 1911 and (y) the Irish Conveyancing Act and where there is any ambiguity or conflict between the powers contained in such Act and those conferred by this Deed of Charge, the terms of this Deed of Charge shall prevail
- (b) No purchaser acquiring (in good faith and for money or money's worth) the benefit of any Security Interest over, or any other interest in relation to, the Charged Property from the Bibby Security Trustee or a Receiver, and no other person dealing with the Bibby Security Trustee or a Receiver, shall be concerned to enquire (a) whether any of the powers exercised or purported to be exercised by the Bibby Security Trustee or such Receiver has arisen or become exercisable, (b) whether the Bibby Secured Obligations remain outstanding or have become payable, (c) whether the Receiver is authorised to act or (d) as to the propriety or validity of the exercise or purported exercise of any power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters and the protections contained in Sections 104 to 107 of the Law of Property Act 1925 and, to the extent applicable, (x) Sections 21 and 22 of the Conveyancing Act 1881 and (y) Sections 104 to 107 of the Irish Conveyancing Act shall apply to any person purchasing from or dealing with a Receiver or the Bibby Security Trustee
- (c) The receipt of the Bibby Security Trustee or the Receiver shall be an absolute and a conclusive discharge to a purchaser or other person as referred to in **Clause 13.8(b)** and shall relieve such purchaser or other person of any obligation to see to the application of any monies paid to or by the direction of the Bibby Security Trustee or the Receiver

13 9 Mortgagee in Possession

Neither the Bibby Security Trustee nor the Receiver shall be liable to account as a mortgagee or security holder 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 in connection with the Charged Property to which a mortgagee or security holder in possession might otherwise be liable. If and whenever the Bibby Security Trustee or the Receiver enters into possession of the Charged Property, it shall be entitled at any time at its discretion to go out of possession

13 10 Bibby Security Trustee's power to deal with each Chargor's business and the Charged Property

At any time after the Security constituted by or pursuant to this Deed of Charge shall have become enforceable and the Bibby Security Trustee shall have determined or become bound to enforce the same, the Bibby Security Trustee shall have power, at its discretion and without being responsible for any loss or damage which may arise or be occasioned thereby and without any consent of the Note Purchasers, the Issuer or any Chargor to do each and every of the following things

- (a) manage and carry on the business and affairs of any Chargor as it thinks fit with power to appoint or dismiss managers and agents relating thereto,
- (b) acquire by purchase or loan or otherwise any further property or rights,
- (c) execute, do and perform contracts, deeds, documents and things and bring, defend or abandon actions, suits and proceedings in relation to the Charged Property in the name of any Chargor, and
- (d) generally do anything in relation to the Charged Property or any part thereof it could do if it were absolutely entitled thereto

13 11 Discharge

Upon any sale, calling in, collection or conversion of any property charged pursuant to this Deed of Charge and upon any other dealing or transaction under the provisions contained in this Deed of Charge, the receipt by the Bibby Security Trustee of the purchase money in respect of the assets sold and of any other monies paid to the Bibby Security Trustee shall effectually discharge the relevant Chargor or other person, as the case may be, paying the same and relevant Chargor or other person, as the case may be, shall not be responsible for the application of such monies

13 12 Bibby Security Trustee's power to take possession of the Charged Property

In addition to the foregoing powers, the Bibby Security Trustee may (for the avoidance of doubt, acting in accordance with **Clause 17.4**) enter into possession of and hold, or (so far as permitted by applicable law) appoint a Receiver or Receivers to take possession of, any part of the Charged Property which may at any time appear to it to be in danger of being taken under any process of law by any creditor of any Chargor or to be otherwise in jeopardy and whenever under this **Clause 13.12** the Bibby Security Trustee shall enter into possession of the Charged Property or a Receiver shall be appointed, the other provisions of this **Clause 13** shall apply *mutatis mutandis* and the Bibby Security Trustee may at any time give up possession or withdraw such receivership

13 13 Applications to the court

The Bibby Security Trustee may at any time after the Security constituted by or pursuant to this Deed of Charge becomes enforceable apply to the court for an order that the powers and trusts of this Deed of Charge be exercised or carried into execution under the direction of the court and for the appointment of a Receiver (so far as permitted by applicable law) of the property charged pursuant

to this Deed of Charge or any part thereof and for any other order in relation to the execution and administration of the powers and trusts hereof as the Bibby Security Trustee shall deem expedient and it may assent to or approve any application to the court made at the instance of any of the Note Purchasers or, if applicable, the Funding Agents on the Note Purchasers' behalf

13 14 Financial Collateral Arrangements (No 2) Regulations 2003

The Bibby Security Trustee may, on or at any time after the Security becomes enforceable, by notice in writing to the relevant Chargor appropriate with immediate effect any of the Charged Property comprising financial collateral which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Arrangements (No 2) Regulations 2003 and, to the extent applicable, the European Communities (Financial Collateral Arrangements) Regulations 2010 of Ireland) and apply it in or towards the discharge of the Bibby Secured Obligations in accordance with the Post-Acceleration Priority of Payments, whether such Charged Property is held by the Bibby Security Trustee or otherwise. The value of any Charged Property appropriated under this **Clause** shall be

- (a) in the case of cash, its face value at the time the right of appropriation is exercised, and
- (b) in the case of other Charged Property, the value for the relevant Charged Property at the time of appropriation, as determined by the Bibby Security Trustee on the basis of the sale price(s) obtained from an applicable generally recognised source selected by the Bibby Security Trustee (converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Bibby Security Trustee) acting reasonably

13 15 Duty to account to the relevant Chargor for excess collections

The Bibby Security Trustee will account to the relevant Chargor for any amount by which the value of the appropriated Charged Property pursuant to **Clause 13.13** exceeds the Bibby Secured Obligations then due. Each Chargor agrees that the method of valuing such Charged Property under this **Clause 13.15** is commercially reasonable

13 16 Investments

Until the Final Discharge Date, the Bibby Security Trustee or any Receiver may, at its discretion, hold any monies received from a Chargor or on account of the Bibby Secured Obligations pending application thereof in accordance with the Bibby Enforcement Priority of Payments in an account or accounts or invested in Eligible Investments. The proceeds of redemption or sale of such Eligible Investments and the moneys in such account or accounts, the income therefrom, together with any other funds held by the Bibby Security Trustee or any Receiver (after deduction of, or provision for, any applicable taxes) shall be applied as specified in the Bibby Enforcement Priority of Payments. Moneys held by the Bibby Security Trustee may be invested in its name or under its control in any Eligible Investments. The Bibby Security Trustee shall not be responsible for any loss, depreciation in value, or otherwise in respect of any investment in Eligible Investments

13 17 Powers additional to those vested by law

The powers conferred by this Deed of Charge upon the Bibby Security Trustee are in addition to any powers which may from time to time be vested in it by general law

14 PROVISIONS RELATING TO THE BIBBY SECURITY TRUSTEE

14 1 Liability for tax in respect of the Charged Property

The Bibby Security Trustee shall have no responsibility whatsoever to any Chargor or any other person as regards any deficiency which might arise because the Bibby Security Trustee or any Receiver is subject to or liable for any tax in respect of the Charged Property or any part thereof or any income therefrom or any proceeds thereof, all stamp duties, filing and registration fees and other transaction taxes required in relation to or for the purpose of procuring the execution, validity or enforceability of this Deed of Charge and the Security created by or pursuant to this Deed of Charge and each Chargor shall on demand (and, in any event, shall pay within three (3) Business Days after such demand) keep the Bibby Security Trustee indemnified against any failure or delay by any of them in paying the same

14 2 No Responsibility

The Bibby Security Trustee is not, and shall not, be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, effectiveness, suitability or admissibility in evidence of any of the Transaction Documents (including this Deed of Charge) or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any Security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto (none of which the Bibby Security Trustee has investigated), nor shall it be responsible or liable to any person because of any invalidity or the unenforceability of any provision of such documents, whether arising from statute, law or decisions of any court. The Bibby Security Trustee shall have no responsibility for, or have any duty to make any investigation in respect of or in any way be liable whatsoever for

- (a) the nature, status, creditworthiness or solvency of any Chargor or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any obligation of any Chargor,
- (b) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any Transaction Documents or any other document entered into in connection therewith,
- (c) the scope or accuracy of any representations, warranties or statements made by or on behalf of any other party any document entered into in connection therewith,
- (d) save as expressly provided in this Deed of Charge, the performance or observance by any person (other than itself) of any provisions of any of the Transaction Documents or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained

therein or relating thereto or as to the existence or occurrence at any time of any Issuer Event of Default or Potential Issuer Event of Default or similar event contained therein or waiver or consent which has at any time been granted in relation to any of the foregoing,

- (e) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith,
- (f) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, standard securities, assignments, charges or other further assurances in relation to any of the assets the subject matter of any of the Transaction Documents,
- (g) any other matter or thing relating to or in any way connected herewith or any document entered into in connection therewith, whether or not similar to the foregoing, or
- (h) any failure to obtain any licence, consent or other authority or to file or effect other legal formalities for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Deed of Charge or the other Transaction Documents or any such other document

14.3 Exclusion of Liability

- (a) Without limiting **paragraph (b)** below (and without prejudice to any other provision of the Transaction Documents excluding or limiting the liability of the Bibby Security Trustee), for the avoidance of doubt the Bibby Security Trustee shall not be liable for any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of the Bibby Security Trustee taking or not taking any action under or in connection with any Transaction Document or in respect of the Security, unless directly caused by its own gross negligence, wilful default or fraud,
- (b) No party may take proceedings against any officer, employee, director or agent of the Bibby Security Trustee in respect of any claim it might have against the Bibby Security Trustee or in respect of any act or omission of any kind by that officer, employee, director or agent in relation to any Transaction Document or the Security,
- (c) Nothing in this Deed of Charge shall oblige the Bibby Security Trustee to carry out
 - (i) any "know your customer" or other checks in relation to any person, or
 - (ii) any check on the extent to which any transaction contemplated by this Deed of Charge might be unlawful for any party,

on behalf of any other party and each Bibby Secured Party shall be deemed to confirm to the Bibby Security Trustee that it is solely

responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Bibby Security Trustee

14 4 No obligation to insure

The Bibby Security Trustee is not under any obligation to insure any of the Charged Property or to require any other person to maintain any such insurance and is not and shall not be responsible for any loss, expense or liability which may be suffered as a result of the lack or inadequacy of any such insurance

14 5 Failure or delay in exercising rights

A failure or delay in exercising any right, power or privilege arising under or in respect of this Deed of Charge shall not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege shall not be presumed to preclude any subsequent or further exercise of that right, power or privilege or the exercise of any right, power or privilege. The rights and remedies provided in this Deed of Charge are cumulative and may be exercised singularly or concurrently and are not exclusive of any rights or remedies provided by law

14 6 No duty to make investigations in relation to the Charged Property

The Bibby Security Trustee shall accept without investigation, requisition or objection such right and title as any Chargor may have to any of the assets secured in its favour pursuant to this Deed of Charge and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of any Chargor to all or any of such assets regardless of whether such defect or failure was known to the Bibby Security Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not

14 7 Registration and perfection of the Security

The Bibby Security Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring any Security Interest including

- (a) any failure, omission or defect in registering or filing or procuring registration or filing of, or otherwise protecting or perfecting any such Security Interest or the priority thereof or the right or title of any person in or to the assets and other interests secured pursuant to this Deed of Charge,
- (b) any failure or omission to require any further assurances in relation to any such Security Interest, and
- (c) any failure to call for delivery of documents of title in relation to such Security Interest

14 8 Adequacy of the Security

The Bibby Security Trustee shall not be responsible for any unsuitability, inadequacy or unfitness of any such security interest created pursuant to this Deed of Charge and neither shall it be obliged to make any investigation into, and

shall be entitled to assume, the suitability, adequacy and fitness of such security interests

14 9 No responsibility for Security

The Bibby Security Trustee shall not be responsible for any liabilities occasioned to the assets and other interests secured pursuant to this Deed of Charge however caused, whether by an act or omission of any Chargor or any other person (including any bank, broker, depositary, or other intermediary or any clearing system or operator thereof)

14 10 No liability for loss

The Bibby Security Trustee will not be liable for any decline in the value nor any loss realised upon any sale or other disposition of any of the assets and other interests secured pursuant to this Deed of Charge. In particular and without limitation, the Bibby Security Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with this Deed of Charge or by acting in accordance with **Clause 17.4**

14 11 Security documents

The Bibby Security Trustee shall not be responsible for obtaining (or for any failure by any Chargor or any other person to obtain) any specific licences or consents allowing it to hold or enforce any Security Interests pursuant to any of the Transaction Documents and shall not be responsible for any liability incurred by any person as a result of them not being able to hold or enforce any such Security Interest

14 12 Application of the Trustee Act

To the fullest extent permitted by law, Section 1 of the Trustee Act 2000 shall not apply to the trust constituted by this Deed of Charge or to the role of the Bibby Security Trustee in relation to such trust. Any exercise by the Bibby Security Trustee of any rights or powers under this Deed of Charge that are the same as or similar to any rights or powers conferred on a trustee by the Trustee Act 2000 shall be construed solely as the exercise of the relevant rights or powers under this Deed of Charge and not as the exercise of the same or any similar rights or powers under the Trustee Act 2000. For the avoidance of doubt the Bibby Security Trustee may retain or invest in securities payable to the bearer without appointing a person to act as a custodian

14 13 Remuneration of the Trustee

(a) Normal remuneration

The Chargors, jointly and severally, shall pay to the Bibby Security Trustee remuneration for its services as trustee as from the date of this Deed of Charge, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed between the Master Servicer and the Bibby Security Trustee, but shall in any event be subject to increases as provided in **paragraph (b)** below. Such remuneration

shall accrue from day to day and be payable up to and including the date when, all the obligations of the Bibby Transaction Parties (actual and contingent) under the Transaction Documents have been released or otherwise discharged

(b) Exceptional remuneration

Following the occurrence of a Trigger Event or Potential Trigger Event or an Unarranged Overdraft (or any other default) under or as defined in the Barclays Overdraft Facility Agreement or an Event of Default (or any other default) under or as defined in the HSBC RCF Agreement or if the Bibby Security Trustee finds it necessary or is requested by the Controlling Creditor to undertake duties which the Bibby Security Trustee and the Controlling Creditor agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Bibby Security Trustee under this Deed of Charge, the Chargors will pay such additional remuneration as may be agreed between them and approved by the Controlling Creditor or, failing agreement, as determined by an investment bank or leading international bank (acting as an expert and not as an arbitrator) selected by the Bibby Security Trustee and approved by the Controlling Creditor or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and the fee of such bank will be payable by the Issuer and the Chargors. The determination of such bank will be conclusive and binding on the Chargors, the Bibby Security Trustee and the Bibby Secured Parties.

14.14 Expenses

The Chargors, jointly and severally, will pay or discharge all costs (including legal costs), charges and expenses properly incurred by the Bibby Security Trustee or any Appointee in relation to the carrying out of its or his functions under this Deed of Charge (other than in relation to Tax on its own net income, profits or gains) including, but not limited to, legal expenses and reasonable travelling expenses and any stamp, registration, documentary or other similar Taxes or duties paid or payable by the Bibby Security Trustee in connection with any legal proceedings brought or contemplated by the Bibby Security Trustee against any Chargor for enforcing any obligation under this Deed of Charge and the other Transaction Documents to which the Bibby Security Trustee is party or resolving any doubt concerning, or for any other purpose in relation to, this Deed of Charge and the other Transaction Documents to which the Bibby Security Trustee is party.

14.15 Interest on Expenses and Indemnity Payments

All amounts payable by the Chargors pursuant to **Clause 14.13**, **Clause 14.14** and/or **Clause 14.16** will be payable or reimbursable by the Chargors on demand by the Bibby Security Trustee (and, in any event, shall be paid by the relevant Chargor within three (3) Business Days after demand) and will carry interest at the Default Rate. Such interest shall be added daily to the overdue sum and shall itself bear interest accordingly, at the rates for overnight deposits so determined.

14.16 Indemnities

Each Chargor, jointly and severally, will indemnify the Bibby Security Trustee and any Receiver, every Appointee and their respective attorneys, managers, delegates, directors, officers, employees and/or agents on an after-tax basis, and keep it or him indemnified against all Liabilities (including any liabilities to which it or he may be or become subject or which may be incurred by it or him in connection with the Consumer Credit Act 1974) to which it or he may be or become subject or which may be incurred by it or him (other than in relation to tax on its or his own net income, profits or gains) in the execution or purported execution of any of the trusts, powers, authorities and discretions under this Deed of Charge or any other Transaction Document to which the Bibby Security Trustee is a party or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Deed of Charge or any other Transaction Document to which the Bibby Security Trustee is a party or any such appointment. All amounts payable by the Chargors pursuant to this **Clause 14.16** shall be payable or reimbursed by the Chargors on demand no later than three (3) Business Days' following the receipt of an invoice from the Bibby Security Trustee and will carry interest at the Default Rate. Such interest shall be added daily to the overdue sum and shall itself bear interest accordingly, at the rates for overnight deposits so determined.

14.17 Separate and independent obligations

The provisions of **Clause 14.16** will constitute obligations of each of the Chargors separate and independent from its obligations under this Deed of Charge and will apply irrespective of any indulgence granted by the Bibby Security Trustee or the Bibby Secured Parties or any of them and will continue in full force and effect notwithstanding a judgment or order or filing of any proof or proofs in any bankruptcy, insolvency or liquidation of any Chargor for a liquidated sum or sums in respect of amounts due under this Deed of Charge. Any such deficiency as aforesaid will be deemed to constitute a loss suffered by the Bibby Secured Parties and no proof or evidence of any actual loss will be required by the Chargors or their liquidator or liquidators. Notwithstanding the foregoing, no Chargor shall be liable to make any payment to the Bibby Security Trustee or any other person under any foregoing provisions of this **Clause 14** to the extent that it has made payment of such amount in respect of such liability under any other foregoing provisions of this **Clause 14** or under any other Transaction Document.

14.18 Bibby Security Trustee not precluded from entering into contracts

- (a) Neither the Bibby Security Trustee nor any director, employee or other officer of a corporation acting as a trustee of this Deed of Charge will by reason of its or his fiduciary position be in any way precluded from
 - (i) entering into or being interested in any contract or financial or other transaction or arrangement with any Chargor, any holding company of any Chargor or any other subsidiary of such holding company (including any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the provision of financial facilities to, or the purchase, placing or underwriting of or the subscription or procuring subscriptions for or otherwise holding or dealing with Notes or any shares, notes, bonds or other securities of, any of such companies as aforesaid), or

- (ii) accepting or holding the trusteeship of any other trust deed governing any other securities of any Chargor or any such holding company or subsidiary or acting on, or as depositary or agent for, any committee or body of holders of any securities of any such company as aforesaid,

and will be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in **paragraph (i)** above or, as the case may be, any such trusteeship or office of profit as is referred to in **paragraph (ii)** above without regard to the interests of the Bibby Secured Parties and notwithstanding that the same may be contrary or prejudicial to the interests of one or more of the Bibby Secured Parties and will not be responsible for any liability occasioned to the Bibby Secured Parties thereby and will be entitled to retain and will not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith

- (b) Where any holding company, subsidiary or associated company of the Bibby Security Trustee or any director or officer of the Bibby Security Trustee acting other than in his capacity as such a director or officer has any information, the Bibby Security Trustee will not thereby be deemed also to have knowledge of such information and will not be responsible for any loss suffered by the Bibby Secured Parties resulting from the Bibby Security Trustee's failing to take such information into account in acting or refraining from acting under or in relation to this Deed of Charge or any other Transaction Document

14 19 Advice

The Bibby Security Trustee may at any time in relation to this Deed of Charge and the other Transaction Documents act on the opinion or advice of, or information obtained from, any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert considered by the Bibby Security Trustee to be of good repute whether obtained by any Chargor, the Bibby Security Trustee or otherwise and will not be responsible to anyone for any liability occasioned by so acting. Any such opinion, advice or information may be sent or obtained by letter, telephone or facsimile transmission or other means of recording in permanent form visual messages (whether written or printed and whether addressed to any Chargor, the Bibby Security Trustee or any other person) and the Bibby Security Trustee will not be responsible for any liability that may be occasioned by acting on any opinion, advice or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Bibby Security Trustee may rely without liability to the Bibby Secured Parties or any other party on any certificate, opinion, or report prepared by any auditor, lawyer, valuer, expert or professional advisor pursuant to this Deed of Charge or any other Transaction Document, whether or not obtained by or addressed to the Bibby Security Trustee or any other person and whether or not the liability of the auditor, lawyer, valuer, expert or professional advisor in respect thereof is limited by a monetary cap or otherwise. The reference in this **Clause 14.19** to the opinion of an independent investment bank and/or legal advisers may be construed (where appropriate) as a

reference to the opinion of such bank and/or the opinion of such other legal advisers as such bank shall recommend be consulted

14 20 Bibby Security Trustee to assume performance

The Bibby Security Trustee will not be bound to take any steps to notify any person of the execution of this Deed of Charge or to ascertain whether any Trigger Event or Potential Trigger Event has occurred or if the parties to any Transaction Documents are performing the obligations thereby imposed on them and, until it has actual knowledge or express notice to the contrary, the Bibby Security Trustee will be entitled to assume that no such event has occurred or default been made and that the parties thereto are performing all of their obligations contained in the Transaction Documents

14 21 Certificate of transaction parties

- (a) The Bibby Security Trustee will be entitled to rely upon a certificate reasonably believed by it to be genuine of a director of a Chargor or of any authorised representative or director of any party to the Transaction Documents in respect of every matter and circumstance for which a certificate is expressly provided for under this Deed of Charge or any Transaction Documents and to call for and rely upon a certificate of a director of a Chargor or of any authorised representative or director of any party to the Transaction Documents reasonably believed by it to be genuine as to any other fact or matter prima facie within the knowledge of a director of a Chargor or of any authorised representative or director of any party to the Transaction Documents, as the case may be, as sufficient evidence thereof and the Bibby Security Trustee will not be bound in any such case to call for further evidence or be responsible for any liability that may be occasioned by its failing so to do, and
- (b) the Bibby Security Trustee may also rely on any opinion of counsel as to any statement contained therein as the opinion of the counsel rendering such opinion

14 22 Deposit of documents

The Bibby Security Trustee may hold or deposit this Deed of Charge and any other documents relating to this Deed of Charge and any other Transaction Documents with any banker or banking company or entity whose business includes undertaking the safe custody of documents or with any lawyer or firm of lawyers believed by it to be of good repute and the Bibby Security Trustee will not be responsible for or required to insure against any loss incurred in connection with any such holding or deposit and the Chargors will pay all sums required to be paid on account of or in respect of any such deposit. The Bibby Security Trustee will not be obliged to deposit securities payable to the bearer with a custodian

14 23 Delegate

Wherever it considers it expedient in the interests of the Bibby Secured Parties, the Bibby Security Trustee may delegate to any person and on any terms (including power to sub-delegate) all or any of its functions. The Bibby Security Trustee will not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate nor, provided that the Bibby Security Trustee

exercises reasonable care in choosing such delegate or sub-delegate, will the Bibby Security Trustee be responsible for any liability incurred by reason of any misconduct or default by any such delegate or sub-delegate. As soon as reasonably practicable the Bibby Security Trustee shall notify each Chargor and the other Bibby Secured Parties of each delegation.

14 24 Agent

Wherever it considers it expedient in the interests of the Bibby Secured Parties, the Bibby Security Trustee may, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, on any terms to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Bibby Security Trustee (including the receipt and payment of money). The Bibby Security Trustee will not be bound to supervise the proceedings or acts of any such agent or sub-agent and, provided that the Bibby Security Trustee exercises reasonable care in choosing such agent or sub-agent, the Bibby Security Trustee will not be responsible for any liability suffered or incurred by reason of any misconduct, default or omission on the part of any such agent so appointed by it or of any sub-agent of any such agent so appointed by it. As soon as reasonably practicable the Bibby Security Trustee shall notify each Chargor and the other Bibby Secured Parties of each appointment.

14 25 Consents

Any consent or approval given by the Bibby Security Trustee for the purposes of this Deed of Charge or the other Transaction Documents may be given on such terms and subject to such conditions (if any) as the Bibby Security Trustee thinks fit and notwithstanding anything to the contrary in this Deed of Charge or the other Transaction Documents may be given retrospectively (provided that this shall in no way prejudice any express obligation herein or therein for the Bibby Security Trustee to act reasonably, or not to unreasonably withhold or delay its consent).

14 26 Certification as to material prejudice

Any certification made by the Bibby Security Trustee as to whether or not any particular breach or other matter referred to in this Deed of Charge or the other Transaction Documents is, in its opinion, materially prejudicial to the interests of the Bibby Secured Parties will be conclusive and binding on the Bibby Secured Parties and the Chargors.

14 27 Legal opinions, reports etc.

Except where the receipt of the same by the Bibby Security Trustee is expressly provided for by this Deed of Charge or any other Transaction Document, the Bibby Security Trustee will not be responsible to any person for failing to request, require or receive any legal opinion relating to the Security or any Transaction Document or any search, report, certificate, advice, valuation, investigation or information relating to any Transaction Document, any transaction contemplated by any Transaction Document, any party to any Transaction Document or any of such party's assets or liabilities or for checking or commenting upon the content of any such legal opinion, search, report, certificate, advice, valuation, investigation or information or for ensuring disclosure to the Bibby Secured

Parties of such content or any part of it or for determining the acceptability of such content or any part of it to any Bibby Secured Party and will not be responsible for any liability incurred thereby

14 28 No obligation to act

The Bibby Security Trustee will not be obliged

- (a) to take any action in relation to the realisation of the Security,
- (b) to take any proceedings to enforce payment of sums due under this Deed of Charge,
- (c) to take any other action in respect of its rights and remedies under this Deed of Charge,
- (d) to act upon or comply with the direction or request of any Bibby Secured Party,

which may, in any such case, involve the Bibby Security Trustee in any personal liability or expense unless first indemnified and/or secured and/or prefunded to its satisfaction

14 29 Illegality

No provision of this Deed of Charge will require the Bibby Security Trustee to do anything that may be illegal or contrary to applicable law or regulation

14 30 Regulated Activities

Notwithstanding anything in this Deed of Charge to the contrary, the Bibby Security Trustee shall not do, or be authorised or required to do, anything which might constitute a regulated activity for the purpose of the FSMA, unless it is authorised under the FSMA to do so. The Bibby Security Trustee shall have the discretion at any time (i) to delegate any of the functions which fall to be performed by an authorised person under the FSMA to any agent or person which has the necessary authorisations and licences and (ii) to apply for authorisation under the FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so

14 31 Responsibility for monitoring compliance

The Bibby Security Trustee will not be responsible for monitoring compliance by any Chargor or any other party to the Transaction Documents with the terms of the Transaction Documents to which they are a party

14 32 Expenditure by the Bibby Security Trustee

Nothing contained in this Deed of Charge shall require the Bibby Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or the exercise of any right, power, authority, discretion or function hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it

14 33 Consequential Loss

Notwithstanding any provision of this Deed of Charge to the contrary, the Bibby Security Trustee shall not in any event be liable for any special, punitive, indirect or consequential losses (including without limitation losses for damage to reputation, goodwill, loss of business or effect on brokers, broker networks or relationship with brokers) ("**Indirect Loss**") whether or not foreseeable, even if the Bibby Security Trustee has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract, breach of trust or otherwise

14 34 Error of judgment by employees

The Bibby Security Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Bibby Security Trustee assigned by the Bibby Security Trustee to administer its corporate trust matters

14 35 Non-disclosure

The Bibby Security Trustee will not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Bibby Secured Party any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Bibby Security Trustee by any Chargor or any other person in connection with this Deed of Charge and the other Transaction Documents and no Bibby Secured Party will be entitled to take any action to obtain from the Bibby Security Trustee any such information,

14 36 Professional charges

Any trustee being a lawyer, accountant, broker or other person engaged in any profession or business will be entitled to charge and be paid all usual professional and other reasonable charges for business transacted and acts done by him or his firm in connection with this Deed of Charge or any other Transaction Document and also his proper charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed of Charge or any other Transaction Document,

14 37 No Releases or Indemnity

None of the provisions of this Deed of Charge shall relieve or indemnify the Bibby Security Trustee (or any receiver or Appointee or their respective attorneys, managers, delegates, directors, officers, employees and/or agents) against any liability that would otherwise attach to it in respect of any gross negligence, fraud or wilful default of which it may be guilty in relation to its duties under this Deed of Charge To the extent that any provision of this Deed of Charge is inconsistent with this **Clause 14.37**, such provision shall be interpreted as being subject to this **Clause 14.37** such that this **Clause 14.37** shall prevail

15 FEES, DUTIES AND TAXES

Subject to the provisions of the Master Definitions and Framework Deed the Chargors, jointly and severally, agree to pay on demand (and, in any event, shall pay within three (3) Business Days after demand) any and all stamp and other

similar Taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Deed of Charge and any Transaction Documents to be delivered hereunder or in connection with any action properly taken by or on behalf of the Bibby Security Trustee to enforce the obligations of the Chargors under the provisions of this Deed of Charge or any other Transaction Document to which they are party and the Chargors, jointly and severally, will on demand (and, in any event, shall pay within three (3) Business Days after demand) indemnify the Bibby Security Trustee against any Indemnified Liabilities with respect to or resulting from any delay by it in paying or omission to pay such Taxes and fees

16 APPOINTMENT, RETIREMENT AND REMOVAL OF THE BIBBY SECURITY TRUSTEE

16.1 Appointment and Removal

The Chargors (acting through the Master Servicer) have the power of appointing a new Bibby Security Trustee or new Bibby Security Trustees or removing the existing Bibby Security Trustee of this Deed of Charge but no person shall be so appointed unless previously approved by the Controlling Creditor. A trust corporation shall at all times be the Bibby Security Trustee and may be the sole trustee, under this Deed of Charge. Any appointment of a new Bibby Security Trustee or the removal of the existing Bibby Security Trustee shall be notified by the Chargors to (prior to the Final Payout Date) the Note Purchaser(s) (if applicable, copied to the Funding Agents) and the other Bibby Secured Parties as soon as practicable in accordance with **Clause 3.10** of the Master Definitions and Framework Deed.

16.2 Retirement

Any Bibby Security Trustee may retire at any time on giving not less than 90 calendar days' prior notice in writing to the Master Servicer and, (prior to the Final Payout Date) the Note Purchaser(s) (copied to the Funding Agents) and the other Bibby Secured Parties without giving any reason and without being responsible for any liability occasioned by such retirement and the Controlling Creditor may remove any Bibby Security Trustee on not less than 90 calendar days' written notice (copied to the other Bibby Secured Parties), **provided** that the retirement or removal of the Bibby Security Trustee or any sole Bibby Security Trustee shall not become effective until a successor Bibby Security Trustee is appointed. The Master Servicer undertakes that in the event of the Bibby Security Trustee or any sole Bibby Security Trustee giving notice of retirement or being removed by the Controlling Creditor, it shall use all reasonable endeavours to procure that another Bibby Security Trustee be jointly appointed as soon as practicable thereafter. If the Master Servicer fails to so appoint, whether by disagreement as to the identity of the replacement Bibby Security Trustee or otherwise, within 45 days of the Bibby Security Trustee's notice of retirement, the Bibby Security Trustee has the right to appoint its replacement and this right shall not extinguish the Issuer's obligations under this **Clause 16**. No such replacement shall take office unless previously approved by Controlling Creditor.

16.3 Co-Trustees

The Bibby Security Trustee may, notwithstanding **Clause 16.1**, upon giving notice in writing to the Master Servicer (on behalf of the Chargors) and the (prior to the Final Payout Date) Note Purchasers (copied to the Funding Agents) and the other

Bibby Secured Parties (but without requiring the consent of the Chargors, the Note Purchasers and the other Bibby Secured Parties), appoint any person established or resident in any jurisdiction to act either as a separate Bibby Security Trustee or as an additional Bibby Security Trustee jointly with the Bibby Security Trustee

- (a) if the Bibby Security Trustee considers such appointment to be in the interests of the Note Purchasers and the other Bibby Secured Parties,
- (b) for the purpose of conforming with any legal requirement, restriction or condition in any jurisdiction in which any particular act is to be performed, or
- (c) for the purpose of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction against the Issuer of either a judgment already obtained or any of the provisions of this Deed of Charge or the other Transaction Documents

Subject to the provisions of this Deed of Charge, the Bibby Security Trustee may confer on any person so appointed such rights, powers, discretions, authorities and functions as it thinks fit (not exceeding those conferred on the Bibby Security Trustee by this Deed of Charge). The Bibby Security Trustee may by notice in writing to the Master Servicer (on behalf of the Chargors), (prior to the Final Payout Date), the Note Purchasers (copied to the Funding Agents) and the other Bibby Secured Parties and such person remove any person so appointed. Such reasonable remuneration as the Bibby Security Trustee may agree to pay to any such person, together with any attributable Indemnified Liabilities incurred by it in performing its functions as such separate Bibby Security Trustee or additional Bibby Security Trustee, shall be treated as Indemnified Liabilities incurred by the Bibby Security Trustee. At the request of the Bibby Security Trustee, the Issuer shall forthwith do all things as may be required to perfect such appointment or removal and it irrevocably appoints the Bibby Security Trustee to be its attorney in its name and on its behalf to do so.

- 16.4 If there are more than two Bibby Security Trustees of this Deed of Charge, the majority of such Bibby Security Trustees shall be competent to carry out all or any of the Bibby Security Trustee's functions under this Deed of Charge
- 16.5 Any corporation into which the Bibby Security Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Bibby Security Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Bibby Security Trustee, shall be the successor of the Bibby Security Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto
- 16.6 For the avoidance of doubt, the Chargors shall not be liable for any greater fees, expenses, losses or liabilities hereunder (or under any other Transaction Document) as a result of the appointment of any additional or separate Bibby Security Trustee than would have been the case had there been only a single Bibby Security Trustee

17 CONFLICT OF INTERESTS

17 1 If in the Bibby Security Trustee's opinion there is or might be a conflict in connection with the exercise of its powers, trusts, authorities or discretions (including those in relation to any proposed modification, waiver, authorisation or substitution)

(a) between the interests of (i) the Note Purchasers(s) and (ii) any of the other Bibby Secured Parties, the Bibby Security Trustee will, to the extent permitted by applicable law, have regard only to the interests of the Note Purchasers, or

(b) if the Notes are no longer outstanding, between any of the remaining Bibby Secured Parties, have regard only to the interests of whichever of them ranks higher in the Bibby Enforcement Priority of Payments,

and the Bibby Security Trustee is not required to have regard to the interests of any Bibby Secured Party other than those specified above and in that order

17 2 Bibby Security Trustee reliance on the Note Purchasers

In having regard to the interests of the Note Purchasers, the Bibby Security Trustee shall be entitled to rely solely on a written confirmation from the Required Note Purchasers (or, from the Funding Agents on the Note Purchasers' behalf) as to whether any matter, action or omission is or is not in the interests of or is or is not materially prejudicial to the interests of the Note Purchasers' and such written confirmation shall be conclusive as between the Bibby Security Trustee and the Bibby Secured Parties

17 3 Bibby Security Trustee reliance on Bibby Secured Parties (other than the Note Purchasers)

Where the Bibby Security Trustee is required to have regard to the interests of any Bibby Secured Party (other than the Note Purchasers), the Bibby Security Trustee may consult with that Bibby Secured Party and shall be entitled to rely solely on a written confirmation from that Bibby Secured Party as to whether, in the opinion of that Bibby Secured Party, any matter, action or omission is or is not in the interests of, or is or is not materially prejudicial to the interests of, that Bibby Secured Party without enquiry

17 4 Instructions

Subject to **Clause 17.1** of this Deed of Charge, but notwithstanding any other provision of the Transaction Documents, the Bibby Security Trustee will not be required to take any steps, institute any proceedings, exercise its rights and/or take any other action (including, without limitation, enforcing or releasing the Security) under or in connection with any of the Transaction Documents (including, without limitation, this Deed of Charge) unless the Bibby Security Trustee is directed to do so by written instructions of the Controlling Creditor (for these purposes, the "**Instructing Party**"), in which case the Bibby Security Trustee will be bound to take such action in the manner instructed by the Instructing Party, **provided** that the Bibby Security Trustee

- (a) will not be bound to take such action unless it has been indemnified and/or secured and/or prefunded to its satisfaction against all loss to which it may render itself liable or which it may incur by so doing and, for this purpose, the Bibby Security Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it, and
- (b) may at all times, whether or not so directed, take such action in respect of any right, power or discretion which is personal to the Bibby Security Trustee or is to preserve or protect the Bibby Security Trustee's position or is of a purely administrative nature

For the avoidance of doubt, where the Bibby Security Trustee is required under any of the Transaction Documents to act "reasonably" or in a "reasonable" manner or is referred to as coming to any opinion or determination that is "reasonable" (or any similar or analogous wording), the Bibby Security Trustee shall be entitled to seek the instructions of the Instructing Party and shall be deemed to be acting reasonably or coming to a reasonable opinion or determination by acting on such instructions and the Bibby Security Trustee shall be under no obligation to consider or determine the reasonableness of such instructions from the Instructing Party or to determine whether in giving such instructions the relevant parties are acting in a reasonable manner

The Bibby Security Trustee shall not be liable to any Bibby Secured Party, to any Chargor or to any other party for any action it may take in accordance with any instructions received pursuant to this **Clause 17.4**. The Bibby Security Trustee shall be entitled to seek clarification from the Instructing Party with regard to any such instructions and may in its discretion elect not to act pending receipt of such clarification to its satisfaction from such Instructing Party and shall not be liable to any party for any delay in so acting

18 PERPETUITY PERIOD

The perpetuity period applicable to any trusts created by this Deed of Charge shall be 125 years

19 MODIFICATION AND WAIVER

- 19.1 Subject as provided in **Clause 19.2** and **19.3**, this Deed of Charge may be amended or any provision herein relating to any obligation of any Chargor may be waived by the Bibby Security Trustee acting as directed by the Controlling Creditor in accordance with **Clause 17.4**
- 19.2 All amendments and supplements to this Deed of Charge must be made by written agreement of all parties to this Deed of Charge in order to be valid
- 19.3 Other than as expressly provided in the Transaction Documents, no modification, amendment or waiver may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Bibby Secured Parties without the consent of all of the affected Bibby Secured Parties

20 **MISCELLANEOUS**

- 20 1 For the purposes of **Clause 3.21** of the Common Terms, each Bibby Secured Party is a third party beneficiary of each provision of this Deed of Charge which expressly provides to any of them any right, benefit, power or discretion
- 20 2 For the purposes of this Deed of Charge the notice details for the O/D Provider and the RCF Provider are as set forth below

Barclays Corporate

1st Floor

3 Hardman Street

Manchester

M3 3HF

Attention Andrew Meadowcroft (andrew.l.meadowcroft@barclays.com)

HSBC Bank plc

8 Canada Square

London

E14 5HQ

Attention Sion Woodrow (sion.woodrow@hsbc.com)

IN WITNESS WHEREOF this Deed of Charge has been executed and delivered as a deed on the date on which it is stated to be made

Executed as a deed for and on behalf of)
Bibby Invoice Finance UK Limited)
acting by)

[REDACTED]

In the presence of

Witness signature)
Witness name)
Witness address)

[REDACTED]

EMMA HOWARD
HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and)
on behalf of BIBBY ACF)
LIMITED acting by its duly)
authorised attorney

[REDACTED]

In the presence of

Witness signature)
Witness name)
Witness address)

[REDACTED]

EMMA HOWARD
HILL DICKINSON LLP
NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and)
on behalf of BIBBY)
FACTORS BEDFORD)
LIMITED acting by its duly)
authorised attorney

[REDACTED]

In the presence of

Witness signature)
Witness name)
Witness address)

[REDACTED]

EMMA HOWARD
HILL DICKINSON LLP
NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of **BIBBY
FACTORS
BOREHAMWOOD LIMITED**
acting by its duly authorised
attorney

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[REDACTED]

In the presence of

Witness signature

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)

[REDACTED]

Witness name

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)

EMMA HOWARD

Witness address

)
)

HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of **BIBBY
FACTORS BRISTOL
LIMITED** acting by its duly
authorised attorney

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[REDACTED]

In the presence of

Witness signature

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)

[REDACTED]

Witness name

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)

EMMA HOWARD

Witness address

)
)

HILL DICKINSON LLP
NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of **BIBBY
FACTORS LIMITED** acting
by its duly authorised
attorney

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[REDACTED]

In the presence of

Witness signature

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)

[REDACTED]

Witness name

)
)

EMMA HOWARD

Witness address

) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
) LIVERPOOL
) L3 9SJ

Executed as a deed by and
on behalf of GLOBAL
MANAGEMENT SERVICES
LIMITED acting by its duly
authorised attorney

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[REDACTED]

In the presence of

Witness signature

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)

EMMA HOWARD

Witness name

)
)

Witness address

HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY
FACTORS
INTERNATIONAL LIMITED
acting by its duly authorised
attorney

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[REDACTED]

In the presence of

Witness signature

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EMMA HOWARD

Witness name

)
)

Witness address

HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY INVOICE
DISCOUNTING LIMITED
acting by its duly authorised
attorney

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[REDACTED]

In the presence of

Witness signature

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)

EMMA HOWARD

Witness name

)
)

Witness address

) HILL DICKINSON LLP
) NO 1, ST. PAUL'S SQUARE
) LIVERPOOL
) L3 9SJ

Executed as a deed by and
on behalf of **BIBBY**
FACTORS LEICESTER
LIMITED acting by its duly
authorised attorney

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In the presence of

Witness signature

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Witness name

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EMMA HOWARD

Witness address

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HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of **BIBBY**
FACTORS MANCHESTER
LIMITED acting by its duly
authorised attorney

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In the presence of

Witness signature

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Witness name

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EMMA HOWARD

Witness address

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HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of **BIBBY**
FACTORS NORTHEAST
LIMITED acting by its duly
authorised attorney

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In the presence of

Witness signature

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[REDACTED]

Witness name

)

EMMA HOWARD

)

HILL DICKINSON LLP

)

NO 1, ST PAUL'S SQUARE

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LIVERPOOL

L3 9SJ

Witness address

Executed as a deed by and
on behalf of BIBBY
FACTORS NORTHWEST
LIMITED acting by its duly
authorised attorney

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[REDACTED]

In the presence of

Witness signature

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[REDACTED]

Witness name

)

EMMA HOWARD

)

HILL DICKINSON LLP

)

NO 1, ST PAUL'S SQUARE

)

LIVERPOOL

L3 9SJ

Witness address

Executed as a deed by and
on behalf of BIBBY
REVOLVING FINANCE
LIMITED acting by its duly
authorised attorney

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)

[REDACTED]

In the presence of

Witness signature

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[REDACTED]

Witness name

)

EMMA HOWARD

)

HILL DICKINSON LLP

)

NO 1, ST PAUL'S SQUARE

)

LIVERPOOL

L3 9SJ

Witness address

Executed as a deed by and
on behalf of BIBBY
FACTORS SLOUGH
LIMITED acting by its duly
authorised attorney

)

)

[REDACTED]

In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY
FACTORS SUSSEX
LIMITED acting by its duly
authorised attorney

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In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY
FACTORS SCOTLAND
LIMITED acting by its duly
authorised attorney

)
)


In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY TRADE
FACTORS LIMITED acting

)
)

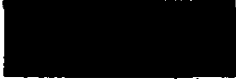

by its duly authorised
attorney

In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY
TRANSACTIONAL
FINANCE LIMITED acting by
its duly authorised attorney

) 
)

In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and
on behalf of BIBBY
FACTORS WESSEX
LIMITED acting by its duly
authorised attorney

) 
)

In the presence of

Witness signature

Witness name

Witness address

) 
) EMMA HOWARD
)
) HILL DICKINSON LLP
) NO 1, ST PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed by and

)

on behalf of **BIBBY
FACTORS YORKSHIRE
LIMITED** acting by its duly
authorised attorney

)



In the presence of

Witness signature

)



Witness name

)

EMMA HOWARD

Witness address

)

HILL DICKINSON LLP
NO 1, ST. PAUL'S SQUARE
LIVERPOOL
L3 9SJ

Executed as a deed for and on behalf of

)

Barclays Bank plc

)

acting by

)

In the presence of

Witness signature

)

Witness name

)

Witness address

)

on behalf of **BIBBY**)
FACTORS YORKSHIRE)
LIMITED acting by its duly)
authorised attorney

In the presence of

Witness signature)
)
Witness name)
)
)
Witness address)

Executed as a deed for and on behalf of)
Barclays Bank plc)
acting by *its duly authorised signatory*)
In the presence of



Andrew Logan Headworth

Witness signature )
Witness name *LUCY MAHER*)
Witness address *1st FLOOR, 3-12 ROYAL ST*)
MANCHESTER, M3 3HF.

Executed as a deed for and on behalf of)
HSBC Bank plc)
acting by)



[Handwritten signature]

In the presence of



Witness signature)
Witness name **S. P. SHERATT**)
Witness address)

HSBC Bank plc
4 Horseferry Road
London EC4A 3DF
United Kingdom

Executed as a deed for and on behalf of)
BFS Funding I Limited acting by)
In the presence of)

Witness signature)
Witness name)
Witness address)

Executed as a deed by and on behalf of)
U S. Bank Trustees Limited acting by)
its duly authorised signatory)
In the presence of)

Witness signature)
Witness name)
Witness address)

Executed as a deed for and on behalf of)
HSBC Bank plc)
acting by)
In the presence of

Witness signature)
Witness name)
Witness address)

Executed as a deed for and on behalf of)
BFS Funding I Limited acting by)
In the presence of)

Witness signature)
Witness name **ELLIOT PERRY**)
Witness address **47 ESPERANADE,**)
ST-HELENS



Fiona Wilson

Executed as a deed by and on behalf of)
U.S. Bank Trustees Limited acting by)
its duly authorised signatory)
In the presence of)

Witness signature)
Witness name)
Witness address: . . .)

Executed as a deed for and on behalf of)
HSBC Bank plc)
acting by)
In the presence of

Witness signature)
Witness name)
Witness address)

Executed as a deed for and on behalf of)
BFS Funding I Limited acting by)
In the presence of)
Witness signature')
Witness name)
Witness address)

Executed as a deed by and on behalf of)
U.S. Bank Trustees Limited acting by)
its duly authorised signatory)
In the presence of)
Witness signature)
Witness name)
Witness address)

[Redacted]

David Harnett
Authorised Signatory

[Redacted]

Hamyd Mazrae
Authorised Signatory

SCHEDULE 1

FORM OF SECURITY POWER OF ATTORNEY TO THE BIBBY SECURITY TRUSTEE

THIS POWER OF ATTORNEY is granted on [●] 2015 by [●], a company incorporated under the laws of [●], registered number [●], with registered office at [●] (the "Company" and "Principal")

WHEREAS

- (1) By virtue of a deed of charge (the "**Deed of Charge**") dated 20 October 2015 and made between, *inter alia*, the Principal and U S Bank Trustees Limited as Bibby Security Trustee (hereinafter referred to as the "**Attorney**"), provision was made for the execution by the Principal of this Power of Attorney
- (2) Words and expressions in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and expressions defined in or through the Deed of Charge This Power of Attorney shall be construed in accordance with the principles of construction and interpretation incorporated into the Deed of Charge

NOW THIS POWER OF ATTORNEY WITNESSES

- 1 The Principal hereby irrevocably and by way of security for the performance of the covenants, undertakings, conditions and obligations on the part of the Principal contained in the Deed of Charge appoints the Attorney and any receiver (including any administrative receiver and any manager) appointed thereunder ("**Receiver**") to be its true and lawful attorney for and in the Principal's name or otherwise to do any act, matter or thing which the Attorney or Receiver considers in each case bona fide necessary for the protection or preservation of the Attorney's interests in and rights in and to any property charged or assigned by or pursuant to the Deed of Charge or any part thereof or which ought to be done (but has not been done) under the covenants, undertakings and provisions contained in the Deed of Charge in each case on or after the service of a Note Acceleration Notice or in any other circumstances where the Attorney or Receiver has become entitled to take steps referred to in the Deed of Charge including any or all of the following that is to say
 - (a) to do every act or thing which the Attorney or Receiver may deem to be necessary proper or expedient for fully and effectually vesting or transferring any security created by, and/or property charged or assigned pursuant to, the Deed of Charge or any part thereof and/or the Principal's estate right interest and title therein or thereto in or to the Attorney or Receiver and its successors in title or the persons or persons entitled to the benefit thereof in the same manner and as fully and effectually in all respects as the Principal could have done,
 - (b) the Attorney shall have the power by writing under its hand by an officer of the Attorney (including every Receiver appointed under the Deed of Charge) from time to time

- (i) to appoint one or more substitutes (each a "**Substitute**") (provided that there shall not be more than one Substitute appointed at any one time in respect of the property charged or assigned by or pursuant to the Deed of Charge) who shall have power to act on behalf of the Principal as if that substitute shall have been originally appointed Attorney by this Power of Attorney, and/or
 - (ii) to revoke any such appointment at any time without assigning any reason therefore
- 2
 - (a) In favour of the Attorney, any Receiver and/or any Substitute, (or a person dealing with any of them and the successors and assigns of such a person), all acts done and documents executed or signed by the Attorney, a Receiver or a Substitute in the purported exercise of any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Principal and its successors and assigns
 - (b) The Principal irrevocably and unconditionally undertakes to indemnify the Attorney and each Receiver and/or Substitute appointed from time to time by the Attorney and their respective estates against all actions, proceedings, claims, costs, expenses and Liabilities of every description arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney notwithstanding that they may have arisen as a result of a lack of care on the part of the Attorney, Receiver or Substitute, **provided** that the limited recourse provisions of **Clause 7** of the Master Definitions and Framework Deed (*Limited Recourse, Non Petition*) shall apply to this indemnity, mutatis mutandis, as if set out in full herein
 - (c) The provisions of this **Clause** shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney
- 3 The Principal hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorney or attorneys or any Receiver or Substitute shall lawfully do or cause to be done in and concerning the Security and/or the property charged or assigned by or pursuant to the Deed of Charge or any part thereof by virtue of this Power of Attorney
- 4 The Principal hereby declares that, this Power of Attorney having been given for security purposes and to secure a continuing obligation of the Principal, the powers hereby created shall be irrevocable and shall not (to the fullest extent permitted by applicable law) be affected by the Principal making an application for a suspension of payments or by the bankruptcy of the Principal or by the making of an application by a third party for the bankruptcy of the Principal or by the passing of a resolution for the voluntary liquidation of the Principal or any equivalent event
- 5 The laws of England shall apply to this Power of Attorney and the interpretation thereof and to all acts of the Attorney carried out or purported to be carried out under the terms hereof
- 6 This Power of Attorney shall automatically terminate on the payment and discharge of the Bibby Secured Obligations in full

SCHEDULE 2

FORM OF NOTICE OF ASSIGNMENT

From **[•]** (the "**Chargor**")
[•]

Cc **[•]**

To **[•]**

Date **[•]**

Dear Sirs

We hereby give you notice that, by a deed of charge dated **[•]** 2015 (the "**Deed of Charge**") and made between the Chargor and the Bibby Security Trustee, the Chargor assigned absolutely (subject to re-assignment on redemption) to the Bibby Security Trustee all its rights, title, interest and benefit, present and future, in, to and under all Charged Documents to which the Chargor is a party

Words and expressions used herein and not defined shall have the meanings given to them in or through the Deed of Charge

Subject to any other instructions given to you by the Bibby Security Trustee, you are authorised and instructed to deal with the Chargor in relation to the Charged Documents to which you are a party as if the assignment referred to in the preceding paragraph had not taken place, save that you are not authorised or instructed to recognise the exercise by the Chargor of any right to vary or terminate the Charged Documents to which you are a party unless the prior written consent of the Bibby Security Trustee has been obtained thereto or as otherwise provided in the Charged Documents to which you are a party

You are authorised and instructed to give notice to the Bibby Security Trustee in the event that the Chargor is in breach of any of its material obligations under the Charged Documents to which you are a party which would permit you to terminate or cancel the Charged Documents to which you are a party

None of the instructions, authorisations and confirmations in this notice can be revoked in any way except with the Bibby Security Trustee's prior written consent. Please acknowledge receipt of this notice to the Bibby Security Trustee on the enclosed Acknowledgement of Assignment

This notice (and all non-contractual obligations and liabilities arising out of or in connection with it) shall be governed by and construed in accordance with English law, except for any terms of this notice which relate to (a) Northern Irish assets or which are particular to the laws of Northern Ireland, which shall be governed by and construed in accordance with the laws of Northern Ireland, or (b) Irish assets or which are particular to

the laws of Ireland, which shall be governed by and construed in accordance with the laws of Ireland. We irrevocably submit to the exclusive jurisdiction of the Court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this notice.

Yours faithfully

For and on behalf of
[•]

FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT

From [●]

To [●] (the "Chargor")
[●]

Cc [●]

Date [●] 2015

Dear Sirs

We hereby acknowledge receipt of the Notice of Assignment dated [●] 2015 relating to the deed of charge dated on or about the Closing Date (the "**Deed of Charge**") and made between the Chargor and the Bibby Security Trustee as adequate notice of the assignment

We agree to act at the direction of the Bibby Security Trustee and in relation to Charged Documents to which we are a party and not to recognise the exercise by the Chargor of any right to vary or terminate the Charged Documents to which we are a party without the prior written consent of the Bibby Security Trustee or otherwise as permitted by the terms of such Charged Documents, and to give the Bibby Security Trustee notice forthwith of any attempt by the Chargor to do so

If the Chargor is in breach of any of its material obligations, under the Charged Documents to which we are a party, which would permit us to terminate or cancel the Charged Documents to which we are a party, we shall immediately upon becoming aware of it give the Bibby Security Trustee notice of such breach or event

We have not, as at the date of this acknowledgement, received from any other person any notice of any assignment or charge of or any interest in the Charged Documents to which we are a party

Words and expressions used herein and not defined shall have the meanings given to them in or through the Deed of Charge

This acknowledgement (and all non-contractual obligations and liabilities arising out of or in connection with it) shall be governed by and construed in accordance with English law, except for any terms of this acknowledgement which relate to (a) Northern Irish assets or which are particular to the laws of Northern Ireland, which shall be governed by and construed in accordance with the laws of Northern Ireland, or (b) Irish assets or which are particular to the laws of Ireland, which shall be governed by and construed in accordance with the laws of Ireland

We irrevocably submit to the exclusive jurisdiction of the Court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this notice

Yours faithfully

SCHEDULE 3
Form of Deed of Release

DATED

[•]

[•]
as Chargor

- and -

U.S BANK TRUSTEES LIMITED
as Bibby Security Trustee

DEED OF RELEASE

- relating to -

DEED OF CHARGE DATED [•] 2015

THIS DEED is made on [●]

BETWEEN.

- (1) [●] a company incorporated under the laws of [●], registered number [●], with registered office at [●] (the "**Company**" and "**Chargor**"), and
- (2) **U.S. Bank Trustees Limited**, a company incorporated under the laws of England and Wales, registered number 02379632, with registered office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR (the "**Bibby Security Trustee**", which expression in this Deed shall include such company and all other persons for the time being acting, their successors or assigns, as the trustee pursuant to this Deed of Charge for and on behalf of the Bibby Secured Parties)

WHEREAS

- (A) Pursuant to a deed of charge dated 20 October 2015 made between the Chargor and the Bibby Security Trustee (the "**Deed of Charge**"), the Chargor charged and assigned certain assets to the Bibby Security Trustee for the Bibby Secured Parties
- (B) [The Bibby Secured Parties have confirmed in writing to the Bibby Security Trustee that all Secured Obligations have been or will be discharged in full and instructed the Bibby Security Trustee to release the Security in accordance with this Deed]
- (C) In accordance with **Clause 7** of the Deed of Charge, and in reliance on the instruction of the Bibby Secured Parties the Bibby Security Trustee has agreed to release [all]/[that part] of the property charged and assigned pursuant to **Clause 7** of the Deed of Charge [and specified in **Schedule 1**] without recourse, representation or warranty which is the subject of the Deed of Charge together with all related rights, interests and benefits (the "**Charged Property**") from the security created by or pursuant to the Deed of Charge and to reassign or retrocess its interest therein to the Chargor

IT IS AGREED:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed or the context requires otherwise, words and expressions used in this Deed have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in **Section 1** of the Master Definitions and Framework Deed signed by each of the parties to this Deed and the other parties thereto on or about the 20 October 2015 (the "**Master Definitions and Framework Deed**") In addition, the following terms have the meanings set forth below

"Effective Date" means [●]

"Power of Attorney from the Issuer" means the power of attorney granted to the Bibby Security Trustee by the Issuer dated [●] 2015

1 2 Interpretation

This Deed shall be construed in accordance with the principles of construction and interpretation set out in such Master Definitions Schedule

Save as expressly provided herein, any warranties or undertakings provided under this Deed are made to each other party to this Deed

1 3 Incorporation of Common Terms

The Common Terms as set out in **Section 2** of the Master Definitions and Framework Deed apply to this Deed and shall be binding on the parties to this Deed as if set out in full in this Deed

1 4 Conflict with Common Terms

If there is any conflict between the provisions of the Common Terms and the provisions of this Deed, the provisions of this Deed shall prevail, unless any provision of this Deed relates to VAT, in which case the VAT provisions of the Common Terms shall prevail and provided that the provisions of **Clause 7** of the Common Terms shall prevail at all times

1 5 Obligor/Obligee

For the purpose of this Deed, **Clause 3.1** of the Common Terms applies to this Deed as if set out in full in this Deed and as if the Chargor were the Obligor and the Bibby Security Trustee were the Obligee for the purposes of such **Clause**

1 6 Governing Law and Jurisdiction

This Deed and all non-contractual obligations arising out of or in connection with it shall be governed by English law in accordance with **Clause 3 23(a)** of the Common Terms, except for any terms of this Deed which relate to (a) Northern Irish assets or which are particular to the laws of Northern Ireland, which shall be governed by and construed in accordance with the laws of Northern Ireland, or (b) Irish assets or which are particular to the laws of Ireland, which shall be governed by and construed in accordance with the laws of Ireland **Clause 3.23** of the Common Terms applies, save as provided above, to this Deed as if set out in full in this Deed

2 CONFIRMATION OF DISCHARGE

The Chargor hereby confirms to the Bibby Security Trustee that as at the date of this Deed, no obligations of any Bibby Transaction Party (actual or contingent) are outstanding under the Transaction Documents, none of the Bibby Secured Parties has any claim for any amount under or otherwise in connection with the

Transaction Documents and that the Secured Obligations owed to the Bibby Secured Parties are fully discharged

3 REQUESTS FOR RELEASE

In accordance with **Clause 7** of the Deed of Charge, the Issuer hereby requests and the Bibby Security Trustee hereby agrees to execute this Deed and all other documents necessary to release, reassign, retrocess or discharge the Charged Property

4 RELEASES

- 4 1 As of and with effect on and from the Effective Date, the Bibby Security Trustee (for itself and on behalf of the Bibby Secured Parties), acting in accordance with and in reliance on the instructions of the Bibby Secured Parties, pursuant to **Clause 7** of the Deed of Charge without recourse, representation or warranty hereby unconditionally and irrevocably releases the Charged Property from all security constituted by and pursuant to the Deed of Charge and re-assigns and retransfers to the Chargor all the right, title and interest in and to the Charged Property which was conveyed, assigned, granted or transferred to the Bibby Security Trustee under and pursuant to the Deed of Charge free from all security and trusts constituted by and all claims arising from the Deed of Charge, subject only to **Clause 7.1(b)** of the Deed of Charge, and the Deed of Charge and the Power of Attorney from the Issuer, shall hereby be terminated (other than with respect to any provisions of the Deed of Charge or the Power of Attorney that are expressly stated to survive such termination and subject to **Clause 7 (Survival)** below)¹

5 REPRESENTATIONS AND WARRANTIES

- 5 1 Each of the parties to this Deed (save for the Bibby Security Trustee) hereby represents and warrants to each other that
- (a) it is duly organised and validly existing under the laws of the jurisdiction in which it is incorporated or established,
 - (b) it has full power and authority, and has taken all action required and has obtained all necessary approvals and authorisations, to execute and deliver this Deed and to fulfil its obligations hereunder, and
 - (c) the execution, delivery and performance by it of this Deed and the performance of its obligations hereunder does not and shall not violate any law or regulation applicable to it or any agreement to which it is a party or by which it is bound

6 BIBBY SECURITY TRUSTEE

The Bibby Security Trustee (acting in accordance with and in reliance on the instructions of the Bibby Secured Parties) hereby acknowledges and consents to the Issuer entering this Deed. Notwithstanding anything contained herein to the contrary, the Bibby Security Trustee is entering into this Deed, and any further documents that may be required pursuant to **Clause 3**, acting at the request of

¹ Note: This is a release in full of all Charged Property. To the extent that this is to be a release in part only, this provision will need to be revised appropriately.

the Bibby Secured Parties and in reliance on the instructions of the Bibby Secured Parties and the confirmation of the Issuer at **Clause 2 (Confirmation)** above, for the purposes set out herein and for granting the releases that it is stated to grant hereby. By entering into this Deed and any further documents that may be required pursuant to **Clause 3**, the Bibby Security Trustee shall not incur any obligation or liability and the execution by the Bibby Security Trustee of this Deed and any further documents that may be required pursuant to **Clause 3** is without prejudice to any indemnity which the Bibby Security Trustee may have, whether under the Transaction Documents, at law or otherwise.

7 **SURVIVAL**

Notwithstanding anything contained herein to the contrary, it is expressly acknowledged that any provision of the Deed of Charge, the Power of Attorney or any other Transaction Document expressed to continue in full force and effect in relation to the period during which the Bibby Security Trustee was the Bibby Security Trustee shall continue in full force and effect, notwithstanding the releases and the termination and discharge of the Deed of Charge, each and any Scottish Supplemental Charge and the Power of Attorney granted in this Deed.

IN WITNESS WHEREOF this document has been executed and delivered as a deed the day and year first before written.

Executed as a deed by [●] acting by)
)
)

Executed as a deed and delivered by)
two duly authorised signatories of **U S**)
Bank Trustees Limited)
)
(Authorised signatory))
)
(Name))
)
)

(Authorised signatory)

In the presence of

(Name)

SCHEDULE 4

POWERS OF A RECEIVER

A Receiver appointed under this Deed of Charge shall have and be entitled to exercise all powers conferred by the statute or common law and shall furthermore, but without limiting any powers otherwise referred to in this Deed of Charge, have power to do the following things either in his own name or in the name of the Issuer

- 1 to take possession of, get in and collect the Charged Property (or such part thereof in respect of which it may be appointed) or any part thereof including income whether accrued before or after the date of its appointment,
- 2 to carry on, manage, concur in or authorise the management of, or appoint a manager of, the whole or any part of the business of the Issuer,
- 3 to sell, transfer, convey, exchange, license, surrender, release, disclaim, abandon, return or otherwise dispose of or in any way whatsoever deal with the whole or any part of the Charged Property or any interest in that Charged Property or any part thereof for such consideration (if any) and upon such terms (including by deferred payment or payment by instalments) as it may think fit and to concur in any such transaction,
- 4 to sell or concur in selling the whole or any part of the Issuer's business whether as a going concern or otherwise,
- 5 to sell on condition and to grant rights and options over the whole or any part of the Charged Property and (with or without consideration) to rescind, surrender or disclaim or accept or agree to accept surrenders or disclaimers of agreements relating to or affecting any of the Charged Property in such circumstances, to such persons (including, without limitation, to the Bibby Security Trustee), for such purposes and upon such terms whatsoever as it may think fit and also to vary the terms of any contract affecting any of the Charged Property,
- 6 in connection with the exercise or the proposed exercise of any of its powers or in order to obtain payment of its remuneration (whether or not it is already payable), to borrow or raise monies from any person, including the Bibby Security Trustee, without security or on the security of any of the Charged Property and generally in such manner and on such terms as it may determine,
- 7 to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims, disputes and proceedings concerning the Charged Property or any part thereof,
- 8 to transfer all or any of the Charged Property and/or any of the liabilities to any other company or body corporate, whether or not formed or acquired for the purpose and to form a subsidiary or subsidiaries of the Issuer,
- 9 to protect, maintain, repair, alter, improve, replace, exploit, add to and develop or concur in so doing the Charged Property or any part thereof in any manner and for any purpose whatsoever,
- 10 to redeem, discharge or compromise any Security Interest from time to time having priority to or ranking *pari passu* with this Deed of Charge,

- 11 enter into covenants, guarantees, commitments, indemnities and other obligations or liabilities as it thinks fit in each case relating to the Charged Property,
- 12 to effect or maintain indemnity insurance and other insurance and obtain bonds and performance guarantees, in respect of the Charged Property,
- 13 to appoint, dismiss, engage or vary the terms of employment of any employees, managers, agents or advisers of the Issuer upon such terms as to remuneration and otherwise and for such periods as it may determine,
- 14 in connection with the exercise of any of its powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Issuer or in its own name, as it may determine, all documents, receipts, registrations, acts or things which it may consider appropriate,
- 15 to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Charged Property or incidental to the ownership of or rights in or to any of the Charged Property and to complete or effect any transaction entered into by the Issuer and complete, disclaim, abandon or modify all or any of the outstanding contracts or arrangements of the Issuer relating to or affecting the Charged Property,
- 16 to exercise all powers as are described in schedule 1 to the Insolvency Act 2000, whether or not the Receiver is an "administrative receiver" as defined in such Act, in respect of the Issuer,
- 17 generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Charged Property which it may consider expedient as effectually as if it were solely and absolutely entitled to the Charged Property,
- 18 to delegate its powers by way of power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed of Charge on the terms (including the power to sub-delegate) and subject to any regulations which such Receiver may think fit and such Receiver shall not be liable or responsible in any way to the Issuer or the Bibby Security Trustee for any loss or liability arising from any act, omission, negligence, wilful default or fraud on the part of any such delegate or sub-delegate,
- 19 to
 - (a) do all other acts and things which it may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed of Charge, and
 - (b) exercise in relation to any Charged Property all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of the same,and may use the name of the Issuer for any of the above purposes,
- 20 to pay and discharge out of the profits and income of the relevant Charged Property and the monies to be made by it in carrying on the business of the

Issuer, the expenses incurred in the exercise of any of the powers conferred by this Deed of Charge or otherwise in respect of such Charged Property and all outgoings which it shall think fit to pay and to apply the residue of the said profits, income or monies in the manner provided by the Post-Acceleration Priority of Payments, and

- 21 to retain proceeds or assets against future contingent liabilities of it and other Bibby Secured Parties

Provided nevertheless that a Receiver shall not be authorised to exercise any of the aforesaid powers, authorities and discretions if and insofar and so long as (i) the Bibby Security Trustee excludes the same in writing whether at the time of his appointment or subsequently and/or (ii) the Bibby Security Trustee is prohibited from exercising such powers, authorities or discretions by the terms of any Funding Document

SCHEDULE 5

AFFILIATED SELLERS AND AFFILIATED SERVICERS

COMPANY NAME	REGISTRATION NUMBER	REGISTERED OFFICE AND ADDRESS FOR NOTICES
Bibby ACF Limited	02885198	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Bedford Limited	04290368	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Borehamwood Limited	00388715	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Bristol Limited	03171249	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Limited	00584342	105 DUKE STREET LIVERPOOL L1 5JQ
Global Management Services Limited	04331246	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors International Limited	04081220	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Invoice Discounting Limited	04105467	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Leicester Limited	02989348	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Manchester Limited	04296744	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Northeast Limited	03653980	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Northwest Limited	00557149	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Revolving Finance Limited	07693461	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Slough Limited	02617760	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Sussex Limited	03847904	105 DUKE STREET LIVERPOOL L1 5JQ

COMPANY NAME	REGISTRATION NUMBER	REGISTERED OFFICE AND ADDRESS FOR NOTICES
Bibby Factors Scotland Limited	SC199049	Registered office 1ST FLOOR, UNIT 2, BLOCK B KITTLE YARDS CAUSEWAYSIDE EDINBURGH EH9 1PJ Address for notices 105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Trade Factors Limited	05303859	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Transactional Finance Limited	07693401	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Wessex Limited	04918703	105 DUKE STREET LIVERPOOL L1 5JQ
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