



**Registration of a Charge**

Company name: **TEMPLE RETAIL LIMITED**

Company number: **05981917**



X6LBSP14

Received for Electronic Filing: **15/12/2017**

---

**Details of Charge**

Date of creation: **05/12/2017**

Charge code: **0598 1917 0018**

Persons entitled: **KALUGA INVESTMENTS SARL**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

---

**Authentication of Form**

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

---

**Authentication of Instrument**

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

Certified by: **TRAVERS SMITH LLP**



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

Company number: 5981917

Charge code: 0598 1917 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th December 2017 and created by TEMPLE RETAIL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th December 2017 .

Given at Companies House, Cardiff on 19th December 2017

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**EXECUTION VERSION**

**APPLEBY**

Dated 5 December 2017

- (1) **KALUGA INVESTMENTS S.À R.L.**
- (2) **TEMPLE RETAIL LIMITED**

---

**SECURITY INTEREST AGREEMENT**

---

In respect of shares in Coleshill Investments Limited

Regency Court  
Glatigny Esplanade  
St Peter Port  
Guernsey  
GY1 1WW  
440960.0001

1138983v4

## **CONTENTS**

<b>Clause</b>	<b>Page</b>
1. Definitions and Interpretations .....	2
2. Security Interests .....	4
3. Waivers .....	5
4. Further Assurance and Power of Attorney .....	5
5. Representations and Warranties .....	6
6. Covenants.....	7
7. Share Rights and Restrictions .....	8
8. Events of Default and Enforcement .....	10
9. Currency.....	11
10. New Accounts/Suspense Account .....	11
11. Continuing Security and Preservation of Security .....	12
12. Release of Security Interests.....	13
13. Set-Off and Combination of Accounts .....	13
14. Expenses and Indemnity.....	14
15. Substitutions and Additions .....	14
16. Contractual Recognition of Bail-In.....	14
17. Notices .....	15
18. Miscellaneous .....	15
19. Language.....	16
20. Governing Law and Jurisdiction.....	16
SCHEDULE 1 .....	18
Notice of Assignment.....	18
SCHEDULE 2 .....	20
Acknowledgement.....	20
SIGNATORIES .....	22

THIS AGREEMENT is dated 5 December 2017

## PARTIES

- (1) **KALUGA INVESTMENTS S.À R.L.**, a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, subject to the law of 22 March 2004 on securitisation, as amended, having its registered office is at 6, rue Eugène Ruppert, L-2453 Luxembourg and which is registered with the Luxembourg Trade and Companies' Register under number B 176266 as security trustee for the Senior Secured Parties on the terms and conditions set out in the Intercreditor Agreement (the **Security Agent** which expression shall include any person for the time being appointed as security agent, trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement); and
- (2) **TEMPLE RETAIL LIMITED**, a company incorporated under the laws of England and Wales with the registered number 05981917, having its registered office at Coleshill Manor Office Campus, South Drive, Coleshill, Birmingham, West Midlands, B46 1DL (the **Grantor** which expression shall include the Grantor's successors and permitted assigns).

## BACKGROUND

- (A) The Grantor is the registered shareholder of the Shares and holds the Shares registered in its name.
- (B) The Grantor is the sole beneficial owner of the Shares.
- (C) By a revolving facility agreement dated on or around the date of this Agreement and made between (i) PerfectHome Capital Limited (the **Borrower**), (ii) Perfect Home Holdings Ltd, Perfect Home Finance Ltd, Temple Finance Limited, the Grantor, Coleshill Financial Services Limited, Coleshill Holdings Limited, Artex Corporate Services (Malta) Ltd and the Company as the original guarantors and (iii) Kaluga Investments S.à r.l. as arranger, original lender, agent and security agent (the **Senior Facility Agreement**), the Lenders have agreed to make available to the Borrower certain facilities on the terms and conditions set out in the Senior Facility Agreement.
- (D) The obligations of the Grantor as guarantor are set out in Clause 19 (*Guarantee and indemnity*) of the Senior Facility Agreement.
- (E) Certain provisions of the Senior Facility Agreement are conditional upon the Grantor entering into this Agreement.
- (F) This Agreement includes the terms of and constitutes a security agreement in accordance with the provisions of the Security Interests (Guernsey) Law 1993 (the **1993 Law**) and for the purposes of Section 2 thereof the Grantor is the **debtor**.

## **AGREED TERMS**

### **1. DEFINITIONS AND INTERPRETATIONS**

#### **1.1 In this Agreement:**

**Agreement:** every separate and independent stipulation contained herein and includes, without limitation, the parties clause, the recitals and any schedule;

**Business Day:** means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Luxembourg;

**Collateral:** all of the Grantor's rights, title and interest in and to the Shares (including without limitation (a) any securities substituted for the Shares or added thereto from time to time, (b) all dividends, interest and other income paid or payable on the Shares or such other securities after the date hereof, and (c) all stocks, shares (and the dividends, interest and other income thereon), rights, moneys or other property accruing or offered at any time by way of redemption, bonus, preference, option, consolidation, sub-division or otherwise to, or in respect of, the Shares or such other securities);

**Company:** Coleshill Investments Limited, a non-cellular company limited by shares incorporated in the Island of Guernsey (with registered number 54696) whose registered office is at Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY;

**Companies Law:** the Companies (Guernsey) Law 2008;

**Enforcement Event:** means an Event of Default which is continuing;

**Event of Default:** shall have the meaning given to that term in the Senior Facility Agreement;

**Intercreditor Agreement** means the intercreditor agreement dated on or around the date of this Agreement and made between, among others, the Grantor, Barclays Bank PLC and Aaron's Inc. (as secured subordinated creditors), the Debtors (as defined in the Intercreditor Agreement), the Security Agent, the Agent, the Original Lender (as Senior Lender) and the Arranger;

**Person:** any individual, company, or body of persons, corporate or unincorporated;

**Secured Obligations:** all obligations, as and when they fall due in accordance with their terms, which the Obligors may at any time have to the Security Agent (whether for its own account or as trustee for the Senior Secured Parties) or any of the other Senior Secured Parties under or pursuant to the Senior Finance Documents (including this Agreement) including any liabilities in respect of any further advances made under the Senior Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity) and to pay to the Security Agent when due and payable every sum at any time owing, due or incurred by such Obligor to the Security Agent (whether for its own account or as trustee for the

Senior Secured Parties) or any of the other Senior Secured Parties in respect of any such liabilities;

**Security Period:** the period starting on the date of this Agreement and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid, performed or otherwise discharged in full and the Senior Secured Parties are under no further obligation to make sums available under the Senior Finance Documents;

**Senior Finance Documents:** means the Finance Documents as defined in the Senior Facility Agreement;

**Senior Finance Parties:** means the Finance Parties as defined in the Senior Facility Agreement;

**Senior Secured Parties:** means the Secured Parties as defined in the Senior Facility Agreement;

**Share Certificates:** the share certificates issued to the Grantor by the Company in relation to the Shares; and

**Shares:** 830,002 ordinary shares of GBP 1.00 of the Company which shares are issued to and registered in the name of the Grantor.

1.2 In this Agreement, unless the contrary intention appears, a reference to:

- (a) a provision of a law is a reference to that provision as extended, applied, amended, consolidated or re-enacted;
- (b) a clause or schedule is a reference to a clause of, or a schedule to, this Agreement;
- (c) a person includes its successors in title and permitted assigns (if any);
- (d) a document is a reference to that document as amended, supplemented, restated and/or novated from time to time;
- (e) words in the singular shall include the plural and words in the plural shall include the singular;
- (f) words denoting any gender or pronoun shall include all genders and pronouns;
- (g) words and expressions defined in the 1993 Law shall have the same meanings and bear the same interpretations when used in this Agreement;
- (h) headings in this Agreement do not affect its interpretation; and
- (i) references to any Guernsey legal term shall, in respect of any jurisdiction other than Guernsey, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction.

- 1.3 Unless the contrary intention appears, a term used in the Senior Facility Agreement or in any notice given under or in connection with the Senior Facility Agreement has the same meaning in this Agreement as in the Senior Facility Agreement.

**2. SECURITY INTERESTS**

- 2.1 In consideration of the Security Agent making available to the Borrower facilities and other accommodation, the Grantor covenants to the Security Agent to pay or discharge the Secured Obligations in the manner and at the time provided for in the Senior Facility Agreement, and in order to provide continuing security for the payment or performance of the Secured Obligations, and in order to create security interests in accordance with the 1993 Law, the Grantor hereby:

- (a) vests possession of the Share Certificates in the Security Agent (or its agent) to the intent that the Security Agent shall have a security interest or interests in any and all the Shares and/or securities constituting the Collateral in accordance with Section 1 (3) of the 1993 Law but so that the Security Agent shall not in any circumstances incur any liability or be under any obligation whatsoever in connection with the Collateral; and
- (b) assigns, transfers and otherwise makes over to the Security Agent (or its agent) title to the Collateral.

- 2.2 The Grantor shall deliver to the Security Agent (or its agent) on or before the date hereof:

- (a) all Share Certificates, and signed but undated share transfer forms with details of the transferee left blank in respect of, the Shares so as to enable the Shares to be registered in the name of the Security Agent (or its agent) and any purchasers together with all such consents or waivers as may be necessary to enable such registration to take place; and
- (b) a duly executed notice substantially in the form set out in Schedule 1 and the Grantor shall procure that the Company executes and delivers to the Security Agent an acknowledgement substantially in the form set out in Schedule 2, together with a certified copy of the register of members of the Company noting the Security Agent's interest created pursuant to this Agreement.

- 2.3 Each of the grants of security interest set out in clause 2.1 shall take effect separately and, for the avoidance of doubt, shall operate so that, wherever there shall in respect of the Collateral be a perfected security interest by way of assignment of title in favour of the Security Agent, such security interest shall to that extent only exclude any security interest granted by way of possession of the certificates of title.

- 2.4 Possession by the Security Agent (or its agent) of the Share Certificates and the acquisition by the Security Agent (or its agent) of the title to the Collateral shall be deemed to be pursuant to this Agreement whether such possession were vested or such title acquired before or after the execution of this Agreement.



2.5 The Grantor hereby agrees that the security interests created by or pursuant to this clause 2 may exist concurrently.

2.6 The creation of the security interests by or pursuant to this clause 2 is in addition to, and shall not affect, the Security Agent's other rights under or pursuant to this Agreement.

### **3. WAIVERS**

3.1 The Grantor hereby irrevocably and unconditionally waives any such rights whatsoever that it may have under the laws of Guernsey or elsewhere at any time pursuant to the droit de division (whether or not now existing), in relation to this Agreement and any document, agreement or arrangement referred to in or relating to it.

3.2 The Grantor hereby irrevocably and unconditionally waives any right it may have whatsoever under the laws of Guernsey or elsewhere at any time (whether or not now existing) of first requiring the Security Agent (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security against, or claim payment from, any person before enforcing this Agreement and this Agreement shall take effect without the benefit to the Grantor of the droit de discussion.

### **4. FURTHER ASSURANCE AND POWER OF ATTORNEY**

4.1 The Grantor shall promptly, and in any event within three Business Days, do all such acts or execute all such documents (including assignments, transfers, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

(a) to perfect its security interest or interests in the Collateral (whether in accordance with Section 1(3) or Section 1(6) of the 1993 Law or in accordance with other paragraphs of Section 1 of the 1993 Law as the Security Agent (or its agent) may deem appropriate) or for the exercise of any rights, powers and remedies of the Security Agent or the Senior Finance Parties provided by or pursuant to this Agreement or by law;

(b) to confer on the Security Agent or confer on the Senior Finance Parties the security interest or interests in the Collateral; and/or

(c) to facilitate the realisation of the assets which are, or are intended to be, the security interest or interests in the Collateral.

4.2 The Grantor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of its security interest or interests in the Collateral (whether in accordance with Section 1(3) or Section 1(6) of the 1993 Law or in accordance with other paragraphs of Section 1 of the 1993 Law as the Security Agent (or its agent) may deem appropriate) for vesting the Collateral in the Security Agent (or its agent) or for selling the Collateral and vesting the same in any purchaser or in any respect whatsoever for obtaining the full benefit of this Agreement and of the rights, powers and discretions herein granted.

- 4.3 For the purpose of facilitating the exercise of the powers of the Security Agent under the 1993 Law and of the powers given pursuant to this Agreement, the Grantor hereby irrevocably appoints the Security Agent and the persons deriving rights under the Security Agent jointly and also each of them severally as the Grantor's attorney for the Grantor and in the name and on behalf of the Grantor following an Enforcement Event to execute and complete any transfers or other documents whatsoever which the Security Agent may require for perfecting, maintaining or enforcing its security interest or interests in the Collateral (whether in accordance with paragraphs (3) and (6) of Section 1 of the 1993 Law or in accordance with other paragraphs of Section 1 of the 1993 Law as the Security Agent (or its agent) may deem appropriate) or for vesting the Collateral in the Security Agent (or its agent) or for selling the Collateral and vesting the same in any purchaser and to make any substitution, addition or other alteration to the property comprising the Collateral or to this Agreement and generally to execute and deliver or otherwise perfect any such transfers or other documents whatsoever required by the Security Agent and to do any such acts and things as the Security Agent may require in order to obtain the full benefit of this Agreement and of the rights, powers and discretions herein granted. The Grantor hereby covenants with the Security Agent and the persons deriving rights under the Security Agent to ratify and confirm any lawful exercise or purported exercise of the power of attorney granted in this clause 4.3.
- 4.4 The Grantor hereby agrees to indemnify and keep indemnified the Security Agent and the persons deriving rights under the Security Agent (including substitute attorneys) against all losses, liabilities, costs (including, without limitation, legal fees), claims, actions, demands and expenses which may be incurred by the Security Agent or the persons deriving rights under the Security Agent (including substitute attorneys) or which may be made or brought against the Security Agent or the persons deriving rights under the Security Agent (including substitute attorneys) as a result of or in connection with anything done by the Security Agent or the persons deriving rights under the Security Agent (including substitute attorneys) under or pursuant to the power of attorney granted in clause 4.3 hereof other than where any such losses, liabilities, costs (including, without limitation, legal fees), claims, actions, demands or expenses arise as a result of the fraud, wilful misconduct or gross negligence of the Security Agent or the persons deriving rights under the Security Agent (including substitute attorneys).
- 4.5 Without prejudice to the foregoing, the Grantor hereby agrees that, upon the written request of the Security Agent, it will forthwith execute such further security agreement or agreements (in form and substance satisfactory to the Security Agent) as the Security Agent may require in respect of the Collateral.

## **5. REPRESENTATIONS AND WARRANTIES**

- 5.1 The Grantor represents and warrants to the Security Agent to the intent that the same shall be continuing representations and warranties during the Security Period:
- (a) subject only to any security interest or interests created pursuant to this Agreement, the Grantor is and will remain the sole absolute and beneficial owner of the Collateral;

- (b) other than as provided in this Agreement, there are no security interests, charges, liens, rights of set off or other encumbrances affecting the Collateral and the Grantor's title to the Collateral is not liable to be challenged on any grounds;
- (c) the Shares are fully paid up and there are no moneys or liabilities outstanding or payable in relation thereto;
- (d) the Shares are not subject to any options to purchase, warrants, pre-emption or similar rights;
- (e) the Shares constitute the entire issued share capital of the Company;
- (f) no governmental or regulatory approval, filing or registration is required in order to give the Security Agent the full benefit of a first ranking security interest over the Collateral;
- (g) any security interest duly created under this Agreement in accordance with the 1993 Law will be recognised as a first ranking right of security interest over the Collateral by way of security for the Secured Obligations in any insolvency of the Grantor; and
- (h) save as provided in this Agreement, there are no restrictions imposed by the Company's constitutional documents or otherwise upon the voting rights associated with, or upon the transfer of, the Shares.

## **6. COVENANTS**

### **6.1 The Grantor agrees and covenants to the Security Agent, for itself, during the Security Period:**

- (a) to procure that the board of directors of the Company will, upon the request of the Security Agent (or its agent), forthwith register the Security Agent (or its agent) and any purchasers of the Collateral as shareholders of the Company and issue share certificates in respect thereof;
- (b) upon the execution of this Agreement to join with the Security Agent in giving the Company notice substantially in the form set out in Schedule 1;
- (c) to pay duly and promptly all calls, instalments or other payments which may from time to time be made or become due in respect of the Collateral in default of which the Security Agent may, if the Security Agent with absolute discretion thinks fit, make any such payments on behalf of the Grantor. All such payments made by the Security Agent shall be repayable on demand by the Grantor to the Security Agent together with all costs and expenses incurred by the Security Agent;
- (d) not to do or cause or permit to be done anything which in the Security Agent's reasonable opinion may in any way adversely affect any security interest or interests created pursuant to this Agreement or prejudice the value of the security

hereby created, and without limitation to procure that without the prior consent of the Security Agent or as otherwise permitted under any Finance Document:

- (i) no further shares or other securities are issued by the Company to any person (except pursuant to a Permitted Share Issue);
  - (ii) no change is made to the memorandum or articles of incorporation of the Company or to the terms of issue or any rights attaching thereto of any Shares;
  - (iii) the Company does not enter into any transaction other than on arm's length commercial terms; and
  - (iv) no action shall be taken or permitted to be taken whereby the rights attaching to the Collateral are altered or diluted;
- (e) promptly to give to the Security Agent copies of any notices or other communication received by it with respect to the Collateral; and
- (f) that the Grantor shall remain liable to observe and perform all of the other conditions and Secured Obligations assumed by it or by which a shareholder of the Company is bound in respect of any of the Shares; and
- (g) that the Security Agent shall not be required to perform or fulfil any obligation in respect of the Shares except as otherwise set out in this Agreement or the 1993 Law or to make any payment, or to make any enquiry as to the nature and efficiency of any payment received by it or the Grantor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been entitled or to which it may be entitled under this Agreement at any time or times.

6.2 The Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the covenants and undertakings set out in this clause 6.

## **7. SHARE RIGHTS AND RESTRICTIONS**

### **7.1 Income and Dividends**

- (a) Without prejudice to clause 2.1(b), any dividends, interest and other income paid or payable on the Collateral, arising prior to the occurrence of an Enforcement Event:
- (i) are hereby released from the security created by this Agreement;
  - (ii) if paid or made over to the Security Agent, shall be transferred by the Security Agent to the Grantor (or as otherwise directed by the Grantor); and
  - (iii) if paid to the Grantor may be retained by the Grantor for its own benefit.

- (b) Without prejudice to clause 2.1(b), upon the occurrence of an Enforcement Event, any dividends, interest or other income paid or payable on the Collateral;
  - (i) shall, if received by the Grantor, be held in trust for the Security Agent, be segregated from other property and funds of the Grantor, and immediately be paid, delivered and transferred to the Security Agent (or its nominee) so as to be held as part of the Collateral; and
  - (ii) may, at the absolute discretion of the Security Agent, be applied in or towards reduction or discharge of the Secured Obligations.

## 7.2 Voting

- (a) Prior to the occurrence of an Enforcement Event, without prejudice to clause 2.1(b), the Grantor shall be entitled to exercise all voting rights relating to the Shares, but shall not do so in a manner which may harm or prejudice the Security Agent's interests;
- (b) Upon the occurrence of an Enforcement Event, and the Security Agent does not have title to the Shares, the Security Agent may at its absolute discretion:
  - (i) exercise any voting rights which may be exercised by the Grantor in relation to the Shares whether by using its powers under clause 4.3 or otherwise; and/or
  - (ii) direct the Grantor in writing,
    - (A) whether and how to exercise any voting rights which may be exercised by the Grantor in relation to the Shares; and
    - (B) to appoint the Security Agent as its proxy so that the Security Agent may exercise any voting rights which the Grantor may have in relation to the Shares,

and in each case, the Grantor shall immediately comply with such direction.
- (c) Upon the occurrence of an Enforcement Event, and the Security Agent has title to the Shares, the Security Agent may in its absolute discretion exercise or cause to be exercised (or refrain from doing so) any or all voting rights in relation to the Shares in such manner as the Security Agent see fit.

## 7.3 Company not a subsidiary of Security Agent for purposes of the Companies Law

- (a) The Security Agent may at its discretion at any time and in respect of any period (including an indefinite period) give a notice in writing to the Grantor stating that clause 7.3(b) shall cease to have effect. Upon the giving of such notice, clause 7.3(b) shall cease to have effect for the period or periods specified in such notice. In addition, clause 7.3(b) shall apply only if the Company would, but for clause

7.3(b) be regarded as a subsidiary of the Security Agent for the purposes of the Companies Law.

(b) Rights attached to the shares held by way of security pursuant to this Agreement shall:

- (i) apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, be exercisable only in accordance with the Grantor's instructions; and
- (ii) where the shares are held in connection with the granting of loans as part of normal business activities and apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, be exercisable only in the Grantor's interests.

## **8. EVENTS OF DEFAULT AND ENFORCEMENT**

8.1 Upon the occurrence of an Enforcement Event, subject to Section 7(3) of the 1993 Law, the Security Agent, without having to apply to the Royal Court for authority to do so, shall have the power of sale or application of the Collateral.

8.2 Such power of sale or application shall be exercisable by the Security Agent in such manner as the Security Agent may in its absolute discretion deem appropriate (having regard to the provisions of the 1993 Law), and with all the powers of a beneficial owner. Without limitation, subject to the 1993 Law, the Security Agent may sell or dispose of or apply the whole or part of the Collateral at such times in such manner and generally on such terms and conditions and for such consideration as the Security Agent may think fit. Any such sale or disposal may be for cash, debentures or other obligations, shares, stocks, securities or other valuable consideration and may be payable immediately or by instalments spread over such period as the Security Agent may think fit. The Security Agent shall have the right of recourse to any moneys forming part of the Collateral and may apply such moneys in the payment or discharge of the Secured Obligations as if such moneys were proceeds of sale.

8.3 No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Security Agent to exercise the power of sale has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such power.

8.4 Subject to clause 8.5 the proceeds of an exercise by the Security Agent of the power of sale or application shall be applied in accordance with the provisions of Section 7(5)(b) of the 1993 Law and subject to the 1993 Law, the Security Agent may determine the order in which individual obligations and liabilities comprising the Secured Obligations are paid or discharged.

8.5 Any amount received or recovered by the Security Agent in respect of any sum due or payable by the Grantor pursuant to the Secured Obligations and any amount received or

recovered pursuant to this Agreement may be placed in a suspense account for so long as the Security Agent thinks fit.

8.6 Subject to clause **Error! Reference source not found.**, if any balance remains after the discharge of the Secured Obligations following an exercise by the Security Agent of the power of sale such balance shall be placed in an account with the Security Agent in the name of the Grantor and the Security Agent shall have no greater responsibility with respect thereto than it has in the normal course of its business as a banker holding an account for its customer.

8.7 Subject to Section 7(5)(a) of the 1993 Law, the Grantor shall have no right or claim against the Security Agent in respect of loss arising out of a sale of or recourse against the Collateral pursuant hereto howsoever such loss may have been caused and in the case of a sale of the Collateral whether or not a better price might have been obtained.

## 9. CURRENCY

9.1 All moneys received or held by the Security Agent under this Agreement may from time to time after an Enforcement Event be converted into such other currency as the Security Agent considers necessary or desirable to cover the Secured Obligations or any part thereof at the then prevailing spot rate of exchange of the Security Agent (as conclusively determined by the Security Agent) for purchasing that other currency with the existing currency.

9.2 After the occurrence of an Enforcement Event, the Security Agent may in its absolute discretion without notice to the Grantor purchase so much of any currency as the Security Agent considers necessary or desirable to cover the Secured Obligations or any part thereof at the then prevailing spot rate of exchange of the Security Agent (as conclusively determined by the Security Agent) for purchasing such currency with sterling and the Grantor hereby agrees to indemnify the Security Agent against the full cost incurred by the Security Agent for such purchase.

9.3 The Security Agent shall not be liable to the Grantor for any loss resulting from any fluctuation in exchange rates before or after the exercise of the foregoing powers.

9.4 Subject to clause 12, no payment to the Security Agent shall discharge the Secured Obligations in whole or in part unless and until the Security Agent shall have received payment in full in the currency or currencies provided for by the Secured Obligations and to the extent that the Secured Obligations are not discharged in full the Security Agent shall have a further separate cause of action against the Grantor and shall be entitled to enforce this Agreement until the Secured Obligations are discharged in full.

## 10. NEW ACCOUNTS/SUSPENSE ACCOUNT

10.1 If the Security Agent receives notice of any subsequent security interest, charge, lien, right of set off or other encumbrance or disposal affecting the Collateral or any part thereof of the Collateral or interest therein, the Security Agent may open a new account for the Grantor. If the Security Agent does not open a new account then, unless the Security

Agent gives express written notice to the contrary to the Grantor, it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by or on behalf of the Grantor to the Security Agent shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount outstanding under the Secured Obligations at the time when it received such notice.

- 10.2 All monies received, recovered or realised by the Security Agent under this Agreement may, at the discretion of the Security Agent, be credited to a separate or suspense account for so long as the Security Agent may think fit without any intermediate obligation on the part of the Security Agent to apply the same in or towards payment and discharge of the Secured Obligations.

## **11. CONTINUING SECURITY AND PRESERVATION OF SECURITY**

### **11.1 The security interest or interests hereunder shall:**

- (a) continue in existence and shall not terminate while the Security Period is continuing and until the applicable provisions of Section 8 of the 1993 Law have been satisfied;
- (b) constitute a continuing security notwithstanding any intermediate payment or settlement of account or any other matter whatsoever and shall be in addition to and shall not merge with or otherwise prejudice or affect any contractual or other right or remedy or any guarantee, indemnity, lien, set off, combination, security interest, mortgage, charge or other security or other right now or hereafter held by or available to the Security Agent and shall not be prejudiced or affected thereby or by the invalidity thereof or by the Security Agent now or hereafter dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any of the same or any rights which the Security Agent may now or hereafter have or giving time for payment or indulgence or compounding with any other person liable in respect of the Secured Obligations;
- (c) be discharged upon the issuance by the Security Agent of a certificate of discharge to the Grantor in or substantially in the form set out in the Schedule to the 1993 Law;
- (d) not be discharged by the death, bankruptcy, insolvency or incapacity of the Grantor or by any change in the constitution of the Grantor or by the Grantor becoming involved in any amalgamation, reorganisation, reconstruction or merger; and
- (e) not be affected by any variation of the terms of the Secured Obligations.

- 11.2 A certificate of the Security Agent setting forth the amount due from the Grantor under the Secured Obligations or pursuant to this Agreement howsoever shall, as against the Grantor, in the absence of manifest error, be conclusive evidence of such amount.



- 11.3 No failure or delay by the Security Agent in exercising any right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy.
- 11.4 This Agreement and the obligations of the Grantor hereunder shall not be affected by any act, omission or circumstances which but for this provision might operate to release or otherwise exonerate the Grantor from this Agreement or such obligations.

**12. RELEASE OF SECURITY INTERESTS**

Upon the Security Agent (acting reasonably) being satisfied that the Secured Obligations have been irrevocably and unconditionally discharged in full the Security Agent shall, subject to the rights of any persons for the time being entitled thereto in priority to the Grantor or any rights of set off, at the request and cost of the Grantor:

- (a) release to the Grantor the certificates of title to and reassign to the Grantor so much (if any) of the Collateral as shall not have been applied by the Security Agent in or towards satisfaction of the Secured Obligations;
- (b) execute a certificate of discharge in or substantially in the form set out in the Schedule to the 1993 Law; and
- (c) reassign, release or otherwise discharge the security constituted by or pursuant to this Agreement,

**EXCEPT THAT** if the Security Agent considers that any amount paid by the Grantor in connection with the discharge of the Secured Obligations is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Grantor under, and the security created by or pursuant to, this Agreement shall continue and such amount shall not be considered to have been irrevocably paid.

**13. SET-OFF AND COMBINATION OF ACCOUNTS**

- 13.1 The Security Agent shall be entitled (as well before as after the occurrence of an Enforcement Event), so long as the Secured Obligations remain outstanding in whole or in part, to combine or consolidate all moneys now or hereafter standing to the Grantor's credit in any account held with the Security Agent (whether in the Grantor's sole name or in joint names with the Grantor and any other person or persons or otherwise howsoever) whether a current or other account and wheresoever situate and to set off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of the Secured Obligations or any part thereof be present, future, actual, contingent, primary, collateral, several or joint or otherwise howsoever, regardless of the place of payment, booking branch or currency of either obligation.
- 13.2 Where such combination, consolidation, set off or transfer requires the conversion of one currency into another, such conversion shall be calculated at a market rate of exchange in the Security Agent's usual course of business for the purpose of the set-off.

**14. EXPENSES AND INDEMNITY**

The provisions of clause 18 (*Costs and Expenses*) of the Senior Facility Agreement shall apply, mutatis mutandis, to this Agreement.

**15. SUBSTITUTIONS AND ADDITIONS**

If the Grantor shall make a request to the Security Agent to substitute or add property for or to the property from time to time constituting the Collateral, the Security Agent shall have absolute discretion to approve or refuse such request. If the Security Agent agrees to any such request then the additional or substituted property shall thenceforth form part of the Collateral and shall be subject to a security interest or interests hereunder (pursuant to whichever paragraph or paragraphs of Section 1 of the 1993 Law may be considered by the Security Agent to be appropriate) and the Grantor shall do any and all such acts and things and execute and deliver any and all such documents as the Security Agent may deem desirable in order to perfect such security interest or interests.

**16. CONTRACTUAL RECOGNITION OF BAIL-IN**

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Senior Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
  - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
  - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
  - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

For the purposes of this clause 17:

**Bail-In Action:** the exercise of any Write-down and Conversion Powers.

**Bail-In Legislation:**

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant

Implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and

- (b) in relation to any other state, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

**EEA Member Country:** any member state of the European Union, Iceland, Liechtenstein and Norway.

**EU Bail-In Legislation Schedule:** the document described as such and published by the Loan Market Association (or any successor person) from time to time.

**Resolution Authority:** any body which has authority to exercise any Write-down and Conversion Powers.

**Write-down and Conversion Powers:**

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- (b) in relation to any other applicable Bail-In Legislation:
  - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
  - (ii) any similar or analogous powers under that Bail-In Legislation.

**17. NOTICES**

The provisions of clause 25 (*Notices*) of the Senior Facility Agreement shall apply, mutatis mutandis, to this Agreement.

**18. MISCELLANEOUS**

- 18.1 Each of the provisions of this Agreement is separate and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

- 18.2 This Agreement may be executed in any number of counterparts each of which taken together shall constitute a single agreement.
- 18.3 Unless the context otherwise requires, where the Grantor comprises two or more persons, all agreements, warranties, undertakings and covenants on the part of the Grantor are given jointly and severally and shall be construed accordingly and the act or default of any of them shall be deemed to be the act or default of both or all of them.
- 18.4 The rights of the Security Agent shall not be affected or prejudiced in any way by any change in its constitution or by its reconstruction or reorganisation or its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person.
- 18.5 The Security Agent shall be entitled to assign all or any part of its right, title, interest and benefit under this Agreement and for such purpose shall be entitled and authorised to disclose any information concerning the Grantor to any proposed assignee.
- 18.6 The Grantor may not, without the prior written consent of the Security Agent, assign transfer, novate or dispose of any of, or any interest in, its rights and obligations under this Agreement.

**19. LANGUAGE**

The principal language of this Agreement shall be English and the parties acknowledge that, notwithstanding receipt of a copy of this Agreement in any other language, the true construction of the Agreement shall be determined in English and all notices, demands or other communications under or in connection with this Agreement shall be in English.

**20. GOVERNING LAW AND JURISDICTION**

- 20.1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Guernsey and the parties hereby irrevocably agree for the exclusive benefit of the Security Agent that the courts of Guernsey are to have jurisdiction to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement (Proceedings) may be brought in such court.
- 20.2 Nothing contained in this Agreement shall limit the right of the Security Agent to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against the Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.
- 20.3 The Grantor waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to the taking of any Proceedings in any such court as referred to in this clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process.

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

20.5 Without prejudice to any other mode of service allowed under the laws of the Island of Guernsey, the Grantor:

- (a) irrevocably appoints THE COMPANY of HERITAGE MALL, GUERNSEY (Attention: CHERISE GAUDION of HERITAGE MALL) (with fax number + 44 (0) 1481 704682) as its agent for service of process in relation to any proceedings before the courts of Guernsey in connection with this Agreement;
- (b) agrees that if a process agent ceases to act as such or no longer has an address in Guernsey the Grantor shall appoint a substitute process agent acceptable to the Security Agent within five Business Days and shall deliver to the Security Agent a copy of the new process agent's acceptance of that appointment and failing this the Security Agent may appoint another agent for this purpose; and
- (c) agrees that the failure by a process agent to notify it of any proceedings will not invalidate the proceedings concerned.

The signatures of the parties to this Agreement are situated after the Schedules to this Agreement.

**IN WITNESS WHEREOF** the Parties have duly executed this Agreement on the date stated at the beginning of it.

## **SCHEDULE 1**

### **Notice of Assignment**

**To:** Coleshill Investments Limited (**Company**)  
Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY

**From:** Kaluga Investments S.à r.l. as security trustee for the Senior Secured Parties (**Security Agent**)  
6, rue Eugène Ruppert, L-2453 Luxembourg

Temple Retail Limited (**Grantor**)  
Coleshill Manor Office Campus, South Drive, Coleshill, Birmingham, West Midlands, B46 1DL

\_\_\_\_\_ 2017

Dear Sirs,

#### **Temple Retail Limited**

We hereby give you notice that, by a security agreement dated \_\_\_\_\_ 2017 and made between the Security Agent and the Grantor (**Security Agreement**), the following property has been assigned by the Grantor to the Security Agent:

the Grantor's rights, title and interest in and to 830,002 ordinary shares of GBP 1.00 of the Company which shares are issued to and registered in the name of the Grantor (**Shares**) (including without limitation (a) any securities substituted for the Shares or added thereto from time to time; (b) all dividends, interest and other income paid or payable after the date hereof on the Shares or such other securities; and (c) all stocks, shares (and the dividends, interest and other income thereon), rights, moneys or other property accruing or offered at any time by way of redemption, bonus, preference, option, consolidation, sub-division or otherwise to, or in respect of, the Shares or such other securities).

Words and expressions defined in or incorporated by reference into the Security Agreement shall unless expressly defined herein or unless the context otherwise requires bear the same meaning in this Notice.

Henceforth, the provisions of the Security Agreement shall apply to the aforesaid property assigned by the Grantor to the Security Agent pursuant to the Security Agreement.

If the Security Agent so requires in writing, the Security Agent (or its nominee(s)) shall be entered into the register of members of the Company in accordance with the Company's Articles of Incorporation.

This Notice is not capable of variation or revocation by the Grantor.

This Notice may be executed in any number of counterparts and by each party on a separate counterpart each of which counterparts when so executed and delivered shall be an original but all such counterparts shall together constitute one and the same instrument.

Please sign and forward to the Security Agent at 6, rue Eugène Ruppert, L-2453 Luxembourg, the enclosed form of acknowledgement.

This Notice shall be governed by and construed in accordance with the laws of the Island of Guernsey.

Yours faithfully,

---

For and on behalf of  
**Kaluga Investments S.à r.l.** as security trustee for the Senior Secured Parties

---

For and on behalf of  
**Temple Retail Limited**

## **SCHEDULE 2**

### **Acknowledgement**

**To:** Kaluga Investments S.à r.l. as security trustee for the Senior Secured Parties (**Security Agent**)  
6, rue Eugène Ruppert, L-2453 Luxembourg

**cc:** Temple Retail Limited (**Grantor**)  
Coleshill Manor Office Campus, South Drive, Coleshill, Birmingham, West Midlands, B46 1DL

**From:** Coleshill Investments Limited  
Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY

We hereby acknowledge receipt of a notice (**Notice**) dated \_\_\_\_\_ 2017 addressed to us by the Security Agent and the Grantor. Words and expressions defined in or incorporated by reference to the Notice shall unless expressly defined herein or unless the context otherwise requires bear the same meaning as in this Acknowledgement. We confirm that:

1. we accept the authorisations and instructions contained in the Notice and we undertake to act in accordance and comply with the terms of the Notice;
2. the Shares are fully paid up and we have no right (and will not seek to exercise any right) of lien in respect of the Collateral;
3. we have not, at the date of this Acknowledgement, received any notice of any other security interest that any third party has or will have any right or interest whatsoever in the Collateral or is taking any action whatsoever against the same;
4. if we become aware of any matter referred to in paragraph (3) above, we will immediately inform you in writing thereof; and
5. if, pursuant to and in exercise of, your power of sale or other rights under the Security Agreement, you wish your own name, or the name of such other persons as you shall nominate, to be entered in the register of members of the Company as the owner of the Shares, we shall immediately effect this.



This Acknowledgement shall be governed by and construed in accordance with the laws of the Island of Guernsey.

Date: \_\_\_\_\_

\_\_\_\_\_  
For and on behalf of  
**Coleshill Investments Limited**

**SIGNATORIES**

**SIGNED** for and on behalf of  
**KALUGA INVESTMENTS S.À R.L.**  
as security trustee for the Senior Secured  
Parties:

)  
)  
)  
)  
)

By:  
Name:  
Position:



**Jérôme Devillet**



)  
)  
)  
)  
)

By:  
Name:  
Position:

\_\_\_\_\_

**SIGNED** for and on behalf of  
**TEMPLE RETAIL LIMITED**

)  
)  
)  
)  
)

By:  
Name:  
Position:

\_\_\_\_\_

)  
)  
)  
)  
)

By:  
Name:  
Position:

\_\_\_\_\_



**SIGNATORIES**

**SIGNED** for and on behalf of  
**KALUGA INVESTMENTS S.À R.L.**  
as security trustee for the Senior Secured  
Parties:

)  
)  
) By: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Position: \_\_\_\_\_

)  
)  
) By: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Position: \_\_\_\_\_

**SIGNED** for and on behalf of  
**TEMPLE RETAIL LIMITED**

)  
)  
) By:   
) Name: MICHAEL GOUN SWEETLAND  
) Position: 

)  
)  
) By: \_\_\_\_\_  
) Name: \_\_\_\_\_  
) Position: \_\_\_\_\_