



Registration of a Charge

Company Name: **THE CHELSEA MAGAZINE COMPANY LIMITED**

Company Number: **06081165**



Received for filing in Electronic Format on the: **10/07/2023**

XC7HI61U

Details of Charge

Date of creation: **05/07/2023**

Charge code: **0608 1165 0005**

Persons entitled: **BANK OF SCOTLAND PLC AS SECURITY TRUSTEE FOR THE FINANCE PARTIES**

Brief description: **ALL PRESENT AND FUTURE PROPERTY (EXCEPT FOR ANY EXCLUDED PROPERTY) AND INTELLECTUAL PROPERTY (EXCEPT FOR ANY EXCLUDED INTELLECTUAL PROPERTY RIGHT) OWNED BY THE COMPANY, IN EACH CASE AS SPECIFIED (AND DEFINED) IN THE DEBENTURE APPENDED TO THE DEED OF ACCESSION REGISTERED BY THIS FORM MR01**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR
REGISTRATION IS A TRUE COPY OF THE COMPOSITE ORIGINAL
INSTRUMENT.**

Certified by:

CHARLOTTE LAMB



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6081165

Charge code: 0608 1165 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th July 2023 and created by THE CHELSEA MAGAZINE COMPANY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th July 2023 .

Given at Companies House, Cardiff on 11th July 2023

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**

THIS SUPPLEMENTAL DEED is made on 05 July 2023 between the following parties

- (1) **THE CHELSEA MAGAZINE COMPANY LIMITED** a private limited company incorporated in England and Wales with registered office at 111 Buckingham Palace Road, London, England, SW1W 0DT and company number 06081165 (the “**Acceding Company**”);
- (2) **THE COMPANIES LISTED IN Schedule 1** (together the “**Existing Charging Companies**”); and
- (3) **BANK OF SCOTLAND PLC** (the “**Security Trustee**”).

WHEREAS

- (A) This Supplemental Deed is supplemental to a debenture dated 22 June 2004 and made between, *inter alios*, Press Acquisitions Limited (1) and the Security Trustee (2) (the “**Debenture**”), a copy of which is attached to Appendix A.

IT IS AGREED as follows

1 DEFINITIONS

- 1.1 Words or expressions defined (including by reference) in the Debenture shall, unless otherwise defined herein, bear the same meaning in this Supplemental Deed (including the recital hereto).
- 1.2 The principles of construction set out in clause 1.2 of the Debenture shall apply mutatis mutandis to this Supplemental Deed as if the same were set out in full herein.

2 ACCESSION OF THE ACCEDING COMPANY

- 2.1 By its execution of this Supplemental Deed, the Acceding Company unconditionally and irrevocably undertakes to and agrees with the Security Trustee to observe and be bound by the terms and provisions of the Debenture as if it were an original party thereto as one of the Charging Companies.
- 2.2 Without prejudice to the generality of sub-clause 2.1, the Acceding Company hereby:
 - (a) (jointly and severally with the other Charging Companies) covenants in the terms set out in clauses 2, 3, 4 and 5 of the Debenture; and
 - (b) with full title guarantee, charges and assigns to the Security Trustee as security for the payment and discharge of all monies and liabilities hereby, or by the Debenture, covenanted to be paid or discharged by it, all its property, assets and undertaking on the terms set out in clause 4 and 5 of the Debenture.
- 2.3 The Existing Charging Companies hereby consent to the accession of the Acceding Company to the Debenture on the terms of clauses 2.1 and 2.2 of this Supplemental Deed and agree that the Debenture shall hereafter be read and construed as if the Acceding Company had been named therein as Charging Companies.

3 INTERPRETATION

This Supplemental Deed shall hereafter be read as one with the Debenture, so that all references in the Debenture to “**this Debenture**”, “**herein**” and similar expressions shall include references to this Supplemental Deed.

4 DELIVERY

This Supplemental Deed shall be treated as having been executed and delivered as a deed only upon being dated.

5 COUNTERPARTS

This Supplemental Deed may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered to any party shall be an original, but all the counterparts shall constitute one and the same instrument.

6 THIRD PARTY RIGHTS

A person who is not a party to this Supplemental Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supplemental Deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

7 GOVERNING LAW AND JURISDICTION

The provisions of clause 44 (*Governing Law*) and clause 45 (*Enforcement*) of the Debenture shall apply *mutatis mutandis* to this Supplemental Deed as if the same were set out in full herein.

IN WITNESS whereof each of the parties to this Supplemental Deed have duly executed this deed the day and year first above written.

SCHEDULE 1
THE EXISTING CHARGING COMPANIES

Company Name	Registration Number
Press Acquisitions Limited	5098596
Telegraph Media Group Limited	00451593

THE ACCEDING COMPANY

EXECUTED AS A DEED

by

THE CHELSEA MAGAZINE COMPANY
LIMITED, acting by **CHRISTOPHER**
TAYLOR, in the presence of:

)
)
)
)

Signature of director

Signature of witness

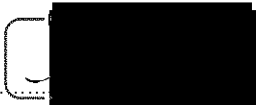
Name Richard Pickard

Address ,

THE EXISTING CHARGING COMPANIES

EXECUTED AS A DEED
by
PRESS ACQUISITIONS LIMITED, acting by
STEPHEN WELCH, a director and
BOUDEWIJN WENTINK, a director

)
)
)
)
)



.....

Signature of director

)
)
)
)



.....

Signature of director

THE EXISTING CHARGING COMPANIES

EXECUTED AS A DEED

by

TELEGRAPH MEDIA GROUP LIMITED,

acting by STEPHEN WELCH, a director and

BOUDEWIJN WENTINK, a director

)

)

)

)


.....
Signature of director

)

)

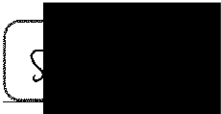
)

)


.....
Signature of director

THE SECURITY TRUSTEE

EXECUTED AS A DEED)
by)
BANK OF SCOTLAND PLC)
for and on its behalf by its duly authorised signatory)

Authorised Signatory: 

Name of Authorised Signatory: Simon Tudor

In the presence of: 
Witness: _____

Name: Stephen Clay

Address: 

Occupation: Banker

Appendix A



DATED

22 JUNE

2004

(1) PRESS ACQUISITIONS LIMITED
(as Initial Charging Company)

- and -

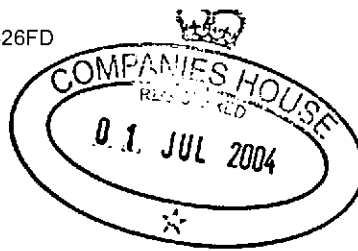
(2) THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND
(as Security Trustee)

DEBENTURE

CONTENTS

1.	DEFINITIONS AND INTERPRETATION.....	1
2.	COVENANT TO PAY.....	5
3.	GRANT OF SECURITY.....	6
4.	FIXED SECURITY.....	6
5.	FLOATING CHARGE.....	9
6.	CONVERSION OF FLOATING CHARGE.....	9
7.	CONTINUING SECURITY.....	10
8.	CHARGING COMPANIES LIABILITY RELATING TO SECURITY ASSETS.....	10
9.	PROVISIONS RELATING TO CHARGED SECURITIES.....	11
10.	ACCOUNTS.....	11
11.	UNDERTAKINGS BY THE CHARGING COMPANIES.....	11
12.	REPRESENTATIONS AND WARRANTIES.....	16
13.	POWERS OF LEASING.....	16
14.	WHEN SECURITY BECOMES ENFORCEABLE.....	16
15.	ENFORCEMENT OF SECURITY.....	17
16.	RECEIVER.....	17
17.	POWERS OF RECEIVER.....	18
18.	OTHER PROVISIONS RELATING TO ENFORCEMENT.....	19
19.	PROTECTION OF THIRD PARTIES.....	20
20.	APPLICATION OF PROCEEDS.....	20
21.	APPROPRIATION AND SUSPENSE ACCOUNT.....	20
22.	CONSOLIDATION OF ACCOUNTS AND SET-OFF.....	20
23.	DELEGATION.....	21
24.	FURTHER ASSURANCE.....	21
25.	POWER OF ATTORNEY.....	22
26.	NOTICE OF SUBSEQUENT SECURITY.....	22
27.	PAYMENTS.....	23

28.	COSTS AND EXPENSES	23
29.	STAMP DUTY	23
30.	CURRENCIES	23
31.	PROTECTIVE CLAUSES	23
32.	REDEMPTION OF PRIOR MORTGAGES.....	24
33.	HM LAND REGISTRY	24
34.	TACKING	24
35.	RELEASE.....	24
36.	AMENDMENTS AND WAIVERS	25
37.	ASSIGNMENT	25
38.	CALCULATIONS AND CERTIFICATES	25
39.	NOTICES	25
40.	PARTIAL INVALIDITY	26
41.	REMEDIES AND WAIVERS	26
42.	COUNTERPARTS	26
43.	THIRD PARTY RIGHTS.....	26
44.	GOVERNING LAW	26
45.	ENFORCEMENT	26
	SCHEDULE 1	28
	Form of notice to and acknowledgement from bank operating Security Accounts	28
	SCHEDULE 2	30
	Form of notice to and acknowledgment by insurers	30
	SCHEDULE 3	32
	Deed of Accession.....	32
	EXECUTION PAGES	36



THIS DEBENTURE is made on

22 JUNE 2004

BY

- (1) **PRESS ACQUISITIONS LIMITED** a company incorporated under the laws of England with registered number 5098596 with its registered office at 20 St James's Street, London SW1A 1ES (the "Initial Charging Company");

in favour of:

- (2) **THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND** (as security trustee for the Finance Parties on the terms set out in the Security Trust Deed as defined in the Facilities Agreement (as defined below) (in such capacity, the "Security Trustee")).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture, (1) terms defined in or construed for the purposes of the Facilities Agreement (as defined below) have the same meanings when used in this Debenture unless they are otherwise defined in this Debenture and (2) the following terms have the following meanings:

"Account Bank" means The Governor and Company of the Bank of Scotland of Level 3, New Uberior House, 11 Earl Grey Street, Edinburgh EH3 9BN or such other bank with which any Security Account is maintained from time to time;

"Act" means the Law of Property Act 1925;

"Assigned Assets" means the Security Assets expressed to be assigned by way of security pursuant to clause 4.2 (*Security assignments*);

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" means all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as the same is in force at the date of this Debenture) and interests in the same now or in future owned (legally or beneficially) by any Charging Company or in which any Charging Company has an interest at any time;

"Charging Companies" means the Initial Charging Company and any company which accedes to the terms of this Debenture pursuant to the terms of a duly executed Deed of Accession (each a "Charging Company");

"Deed of Accession" means a deed of accession to this Debenture in the form set out at schedule 3;

"Default Rate" means the rate of interest calculated in accordance with clause 12.3 of the Facilities Agreement;

"Enforcement Event" means an Event of Default in respect of which the Agent has taken action in connection therewith pursuant to clause 26.17 of the Facilities Agreement;

"Excluded Securities" means any shares owned by a Charging Company in the capital of:

- (i) Paper Purchaser & Management Limited, a company registered in England and Wales under company number 4306325;
- (ii) The Newspaper Licensing Agency Limited, a company registered in England and Wales under company number 3003569;
- (iii) Handbag.com Limited, a company registered in England and Wales under company number 3819979;
- (iv) Trafford Park Printers Limited, a company registered in England and Wales under company number 1985540;
- (v) Netthe.net Limited, a company registered in England and Wales under company number 3814287; and
- (vi) Newsprint Management and Supply Services Limited, a company registered in England and Wales under company number 3391273,

for so long as each of the companies listed in paragraphs (i) to (vii) above (inclusive) is an Excluded Company;

"Facilities Agreement" means the facilities agreement dated the same date as this Debenture and made between the Original Borrower (1), the Original Guarantor (2) and The Governor and Company of the Bank of Scotland as arranger, original lender, agent and security trustee (3), pursuant to which the Original Lender agreed to make certain facilities available to the Borrowers;

"Insurances" means all policies of insurance (including, for the avoidance of doubt, all cover notes) which are at any time held by or written in favour of any of the Charging Companies or in which any of the Charging Companies from time to time has an interest;

"JV Leased Properties" means

- (i) the freehold property known as the Seaman's Institute and Rest, West Ferry Road registered in the name of the Target at the Land Registry under title number EGL238635;
- (ii) the leasehold property known as West Ferry Printing Site as more particularly described in a lease dated 27 March 1986 and made between The Docklands Development Corporation (1) and the Daily Telegraph Plc (2) registered in the name of the Target at the Land Registry under title number EGL176954 and the freehold land described as car park land adjacent to the Millwall Outer Dock (also known as the West Ferry Printing Site) registered in the name of the Target at the Land Registry under title numbers LN157131, LN143508, LN217390, LN77206 and EGL238634; and
- (iii) the leasehold property known as Dollar Bay Car Park as more particularly described in a lease dated 31 March 2000 and made between Dollar Bay Developments Limited (1) and Telegraph Group Limited (2) registered in the name of the Target at the Land Registry under title number 406102;

"Party" means a party to this Debenture;

"Planning Acts" means (1) the Town and Country Planning Act 1990, (2) the Planning (Listed Buildings and Conservation Areas) Act 1990, (3) the Planning (Hazardous Substances)

Act 1990, (4) the Planning (Consequential Provisions) Act 1990, (5) the Planning and Compensation Act 1991 and (6) any regulations made pursuant to any of the foregoing;

"Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to any Charging Company or in which any Charging Company has an interest at any time and:

- (i) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (ii) all easements, rights and agreements in respect thereof;
- (iii) all proceeds of sale of that property; and
- (iv) the benefit of all covenants given in respect thereof;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Charging Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (i) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (ii) all proceeds of any of the foregoing;

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Security Trustee under this Debenture;

"Related Rights" means, in relation to any Charged Securities and/or, as the case may be, Excluded Securities:

- (i) all dividends, distributions and other income paid or payable on the relevant Charged Securities or Excluded Securities or any asset referred to in paragraph (ii) below;
- (ii) all rights, monies or property accruing or offered at any time in relation to the Charged Securities or Excluded Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Charging Company to the Security Trustee (whether on its own account or on behalf of any of the Finance Parties) or to the other Finance Parties (or any of them) under or pursuant to any Finance Document to which such Charging Company is a party (including all monies covenanted to be paid under this Debenture) **provided** that no obligation or liability shall be included in the definition of **"Secured Obligations"** to the extent that, if it were so included, this Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985;

"Security Account" has the meaning given to that term in clause 11.6.2;

"Security Assets" means all property and assets from time to time charged or assigned (or expressed to be charged or assigned) by or pursuant to this Debenture;

"Security Period" means the period beginning on the date of this Debenture and ending on the date on which:

- (i) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (ii) no Finance Party has any further commitment, obligation or liability under or pursuant to the Finance Documents; and

"Spot Rate of Exchange" means, on a particular day, the spot rate of exchange of the Agent for the purchase of the relevant currency in the London foreign exchange market with sterling at or about 10.00am (London time) on such day.

1.2 Interpretation

1.2.1 Unless a contrary indication appears, any reference in this Debenture to:

1.2.1.1 a **"Charging Company"**, the **"Security Trustee"** or any other **"Finance Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees (whether immediate or derivative);

1.2.1.2 **"this Debenture"**, the **"Facilities Agreement"**, any other **"Finance Document"** or any other agreement or instrument is a reference to this Debenture, the Facilities Agreement or such other Finance Document or other agreement or instrument as amended, supplemented, restated, novated and/or replaced from time to time (even if any of the same increases a Charging Company's obligations or provides for further advances);

1.2.1.3 **"assets"** includes any present and future properties, revenues and rights of every description;

1.2.1.4 **"including"** or **"includes"** means including or includes, in each case, without limitation;

1.2.1.5 **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting any Charging Company;

1.2.1.6 a provision of law is a reference to that provision as amended or re-enacted;

1.2.1.7 the singular includes the plural and *vice versa*.

1.2.2 References to clauses, paragraphs and schedules are references to clauses, paragraphs and schedules of this Debenture, unless otherwise stated, and references to this Debenture include its schedules.

1.2.3 Clause and schedule headings are for ease of reference only and shall not affect the construction of this Debenture.

1.2.4 Each undertaking of each of the Charging Companies (other than a payment obligation) contained in this Debenture must be complied with at all times during the Security Period and is given by such Charging Company for the benefit of the Security Trustee and each other Finance Party.

- 1.2.5 The terms of the other Finance Documents, and of any side letters between any of the parties thereto in relation to any Finance Document, are incorporated in this Debenture to the extent required to ensure that any disposition of Property contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.6 If the Security Trustee or the Agent reasonably considers (on the basis of legal advice received by it for this purpose) that an amount paid by a Charging Company to a Finance Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Charging Company, then that amount shall not be considered to have been irrevocably paid for the purposes of this Debenture.
- 1.2.7 It is intended by the parties to this Debenture that this document shall take effect as a deed notwithstanding the fact that the Security Trustee may only execute this document under hand.
- 1.2.8 References in this Debenture to an Enforcement Event or an Event of Default that is "continuing" shall be construed as meaning such Enforcement Event or Event of Default (as the case may be) that has not been (a) remedied or waived in writing by the Agent or (b) cured.
- 1.2.9 The obligations of any person being "enforceable" and "binding" shall be construed subject to the principle that equitable remedies are available at the discretion of the courts, the limitation on enforcement by laws relating to the insolvency, liquidation, administration and other laws affecting the rights of creditors, the time barring of claims, defences of set-off and counterclaim and that which the courts hold to be matters of public policy.

1.3 Trust

- 1.3.1 The Security Trustee shall hold the benefit of the covenants contained in this Debenture and all its rights and claims under this Debenture as trustee for the Finance Parties from time to time on the terms set out in the Security Trust Deed.
- 1.3.2 Any reference to security being granted or executed or obligations being entered into "*in favour of the Security Trustee*" means such security being granted or executed or obligations being entered into in favour of the Security Trustee as trustee for the Finance Parties from time to time.

2. COVENANT TO PAY

2.1 Covenant to pay

- 2.1.1 Each of the Charging Companies covenants in favour of the Security Trustee that it will pay or discharge the Secured Obligations from time to time when they fall due.
- 2.1.2 Every payment by a Charging Company of a Secured Obligation which is made to a Finance Party to which that Secured Obligation is due and payable in accordance with a Finance Document shall operate in satisfaction *pro tanto* of the covenant contained in clause 2.1.1.

2.2 Default interest

Any amount which is not paid under this Debenture when due shall bear interest (both before and after judgment and payable in accordance with the relevant Finance Document) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the relevant Finance

Document under which such sums are payable, and, in the absence of such agreement, at the Default Rate from time to time.

3. GRANT OF SECURITY

All mortgages, charges, assignments and other security made or created under this Debenture are made or created:

- 3.1 in favour of the Security Trustee;
- 3.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- 3.3 as a continuing security for payment of all of the Secured Obligations.

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

Each of the Charging Companies charges and agrees to charge all the present and future right, title and interest of such Charging Company in and to the following assets which are at any time owned by such Charging Company or in which such Charging Company from time to time has an interest:

- 4.1.1 by way of first legal mortgage all Property (if any) now vested in or charged to such Charging Company;
- 4.1.2 by way of first fixed charge:
 - 4.1.2.1 all other Property and all interests in Property not charged by clause 4.1.1; and
 - 4.1.2.2 all licences to enter upon or use land and the benefit of all other agreements relating to land;
- 4.1.3 by way of first fixed charge all plant and machinery not charged by clause 4.1.1 or 4.1.2 and the benefit of all contracts, licences and warranties relating to the same;
- 4.1.4 by way of first fixed charge:
 - 4.1.4.1 all computers, vehicles, office equipment and other equipment not charged by clause 4.1.3; and
 - 4.1.4.2 the benefit of all contracts, licences and warranties relating to the same, (other than any which are for the time being part of such Charging Company's stock-in-trade or work-in-progress);
- 4.1.5 by way of first fixed equitable charge:
 - 4.1.5.1 all Charged Securities other than the Excluded Securities;

4.1.5.2 all Related Rights from time to time accruing to the Charged Securities including, for the avoidance of doubt, the Excluded Securities (or any of them); and

4.1.5.3 all rights which such Charging Company may have at any time against any clearance or settlement system or custodian in respect of any Charged Investments;

4.1.6 by way of first fixed charge:

4.1.6.1 the Security Accounts and all monies at any time standing to the credit of the Security Accounts; and

4.1.6.2 all monies standing to the credit of such Charging Company from time to time on any and all accounts with any bank, financial institution or other person not charged by clause 4.1.6.1,

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;

4.1.7 by way of first fixed charge all Intellectual Property;

4.1.8 to the extent that any of the Assigned Assets are not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge those Assigned Assets;

4.1.9 by way of first fixed charge (to the extent not otherwise charged or assigned in this Debenture):

4.1.9.1 the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of such Charging Company or the use of any of its assets; and

4.1.9.2 any letter of credit issued in favour of such Charging Company and all bills of exchange and other negotiable instruments held by it; and

4.1.10 by way of first fixed charge all the goodwill and uncalled capital of such Charging Company.

4.2 Security assignments

Each Charging Company assigns and agrees to assign by way of security (subject to a proviso for reassignment on redemption in accordance with clause 35.1 (*Obligation to release*)) all its present and future right, title and interest in and to:

4.2.1 the Insurances, all claims under the Insurances and all proceeds of the Insurances; and

4.2.2 all other Receivables not assigned under clause 4.2.1.

To the extent that any Insurance is not assignable, the assignment which clause 4.2.1 purports to effect shall operate as an assignment of all present and future rights and claims of the relevant Charging Company to any proceeds of that Insurance.

4.3 Notice of assignment

Immediately upon execution of this Debenture (and immediately upon the obtaining of any Insurance after the date of this Debenture) the Charging Companies shall deliver a duly completed notice of assignment to each of the other parties to that Insurance, and use its best endeavours (but not as to incur unreasonable costs in the opinion of the Security Trustee (acting reasonably)) to procure that each such person executes and delivers to the Security Trustee an acknowledgment of notice, in each case in the respective forms set out in schedule 2 (*Form of notice to and acknowledgement from insurers*) (or in such other form as the Security Trustee shall agree).

4.4 Assigned assets

The Security Trustee shall not be obliged to take any steps necessary to preserve any of the Assigned Assets or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Debenture.

4.5 Leasehold interests containing prohibition on charging

4.5.1 Until the relevant consent shall have been obtained, there shall be excluded from the charges created by clause 4.1 any leasehold property held by any Charging Company under a lease and any other property where the freehold is not owned where the terms of such lease or other arrangement either preclude absolutely the relevant Charging Company from creating any charge over its leasehold or other interest in such property, or require the consent of any third party prior to the creation of such charge and such consent shall not have been previously obtained (each an "Excluded Property").

4.5.2 With regard to each Excluded Property, the relevant Charging Company hereby undertakes within 60 days of (1) the date hereof or (2) the date of the Deed of Accession pursuant to which a Charging Company acceded to the terms of this Debenture (as the case may be), to make application for the consent of the third party from whom consent is required and, in respect of each lease which provides that the relevant third party will not unreasonably withhold its consent (each such Excluded Property in respect of which a relevant third party may not unreasonably withhold its consent to the creation of security, hereinafter referred to as a "Relevant Property") to use its best endeavours (but not so as to incur unreasonable costs in the context of the nature and the value of the asset to be charged) to obtain such consent as soon as possible and to keep the Security Trustee informed of the progress of its negotiations with such third parties.

4.5.3 Forthwith upon receipt of any such third party consent or, in respect of any Relevant Property, the date such consent is unreasonably withheld or delayed, the relevant Excluded or Relevant Property (as the case may be) shall thereupon be charged to the Security Trustee pursuant to the terms of clause 4.1.

4.6 Intellectual property interests containing prohibition on charging

4.6.1 Until the relevant consent shall have been obtained, there shall be excluded from the charges created by clause 4.1 any Intellectual Property in which any Charging Company has an interest pursuant to any licence or other agreement, the terms of which either preclude the Charging Company from creating any security over its interest in such Intellectual Property, or require the consent of any third party prior to the creation of such charge and such consent shall not have been previously obtained (each an "Excluded Intellectual Property Right").

4.6.2 With regard to each Excluded Intellectual Property Right necessary for carrying on the business of the Group, the relevant Charging Company hereby undertakes within

60 days of (1) the date hereof or (2) the date of the Deed of Accession pursuant to which such Charging Company acceded to the terms of this Debenture (as the case may be), to make application for the consent of the third party from whom consent is required (where the identity of the relevant third party is known to the relevant Charging Company) to the creation of the charges contained in clause 4.1 (and the further assurance provisions set out in clause 24) and, in respect of any licence or agreement which provides that the relevant third party will not unreasonably withhold its consent (each such Excluded Intellectual Property Right in respect of which a relevant third party may not unreasonably withhold its consent to the creation of security, hereinafter referred to as a "**Relevant Intellectual Property Right**"), to use its best endeavours (but not so as to incur unreasonable costs in the context of the nature and the value of the asset to be charged) to obtain such consent as soon as possible and to keep the Security Trustee informed of the progress of its negotiations with such third parties.

- 4.6.3 Forthwith upon receipt of any such third party consent or, in respect of any Relevant Intellectual Property Right, the date such consent is unreasonably withheld or delayed, the relevant Excluded Intellectual Property Right or Relevant Intellectual Property Right (as the case may be) shall thereupon be charged to the Security Trustee pursuant to the terms of clause 4.1 (or, as the case may be, clause 24).

5. FLOATING CHARGE

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

- 5.1 assets and undertaking (wherever located) which are not effectively charged by way of first legal mortgage or fixed charge or assigned by way of security pursuant to the provisions of clause 4.1 (*Fixed charges*) or clause 4.2 (*Security assignments*) or any other provision of this Debenture (other than the Excluded Securities); and
- 5.2 (whether or not effectively so charged) heritable property and all other property and assets in Scotland.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Trustee may, by written notice to any Charging Company, convert the floating charge created under this Debenture into a fixed charge as regards all or any of the Charging Company's assets specified in the notice if:

- 6.1.1 an Enforcement Event has occurred and is continuing; or
- 6.1.2 the Security Trustee (in its reasonable opinion) considers any Security Assets (whether or not those specified in the notice) to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

6.2 Automatic conversion

- 6.2.1 The floating charge created under this Debenture shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge in relation to any of the Security Assets which are subject to a floating charge if:

6.2.1.1 any Charging Company creates (or attempts or purports to create) any Security other than a Permitted Security on or over the relevant asset without the prior consent in writing of the Security Trustee; or

6.2.1.2 if any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such asset; or

6.2.1.3 an administrator is appointed in respect of a Charging Company.

6.2.2 The floating charge created under this Debenture shall not convert 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, in each case under the Insolvency Act 2000 in respect of such Charging Company.

6.3 Partial conversion

The giving by the Security Trustee of a notice pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of a Charging Company shall not be construed as a waiver or abandonment of the rights of the Security Trustee to serve similar notices in respect of any other class of assets or of any of the other rights of the Security Trustee and/or the Finance Parties.

7. CONTINUING SECURITY

7.1 Continuing security

The security constituted by this Debenture is continuing and will extend to the ultimate balance of all the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Debenture shall remain in full force and effect as a continuing security for the duration of the Security Period.

7.2 Additional and separate security

This Debenture is in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or Security which the Security Trustee and/or any of the other Finance Parties may at any time hold for any of the Secured Obligations.

7.3 Right to enforce

This Debenture may be enforced against any or all of the Charging Companies without the Security Trustee and/or the other Finance Parties first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

8. CHARGING COMPANIES LIABILITY RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Debenture or implied to the contrary, each of the Charging Companies remains liable to observe and perform all of the conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfil any such condition or obligation or make any payment in respect of any such condition or obligation.

9. PROVISIONS RELATING TO CHARGED SECURITIES

9.1 Dividends and voting rights

Until an Enforcement Event occurs the Charging Companies shall be entitled to:

- 9.1.1 receive and retain all dividends, distributions and other monies paid on or derived from the Charged Securities and, for the avoidance of doubt, the Excluded Securities; and
- 9.1.2 exercise all voting and other rights and powers attaching to the Charged Securities and, for the avoidance of doubt, the Excluded Securities, **provided** that it must not do so in a manner which is prejudicial to the interests of the Security Trustee and the other Finance Parties under this Debenture (including, without limitation, which has the effect of changing the terms of the Charged Securities or, as the case may be, the Excluded Securities (or any class of them) or of any Related Rights).

9.2 Authority to complete transfers

At any time following the occurrence of an Enforcement Event which is continuing the Security Trustee may complete the instrument(s) of transfer for the Charged Securities on behalf of the relevant Charging Company in favour of itself or such other person as it may select.

9.3 No responsibility

At any time when any Charged Securities are registered in the name of the Security Trustee or its nominee, the Security Trustee will not be under any duty (1) to ensure that any dividends, distributions or other monies payable in respect of those Charged Securities are duly and promptly paid or received by it or its nominee or (2) to verify that the correct amounts are paid or received or (3) to take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any of those Charged Securities.

10. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) with the Security Trustee of any of the Charging Companies or in which any of the Charging Companies has an interest and no rights and benefits relating thereto shall be capable of being assigned to any third party.

11. UNDERTAKINGS BY THE CHARGING COMPANIES

11.1 Restrictions on dealing

No Charging Company shall:

- 11.1.1 create or permit to subsist any Security upon any of the Security Assets; or
- 11.1.2 sell, transfer or otherwise dispose of any of the Security Assets on terms whereby they are or may be leased or re-acquired by a Charging Company;
- 11.1.3 sell, transfer or otherwise dispose of any of its Receivables on recourse terms;
- 11.1.4 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off, or made subject to a combination of accounts; or
- 11.1.5 enter into any other preferential arrangement having similar effect,

provided that if the Agent shall have consented to such arrangement pursuant to the terms of the Facilities Agreement, the consent of the Security Trustee shall be deemed to have been given.

Clauses 11.1.1 to 11.1.5 (inclusive) do not apply to Permitted Security or any Permitted Disposal.

11.2 Security Assets generally

The Charging Companies will:

- 11.2.1 permit the Security Trustee (or its designated representatives), on reasonable notice:
 - 11.2.1.1 access during normal office hours to the accounting records of the relevant such Charging Company and to any documents and records relating to the Security Assets; and
 - 11.2.1.2 to inspect, take extracts from and make photocopies of, the same, and to provide (after the occurrence of an Event of Default that is continuing at the expense of such Charging Company), such clerical and other assistance which the Security Trustee may reasonably require to do this;
- 11.2.2 if requested by the Security Trustee, within 14 days of receipt of such request, provide to the Security Trustee every material notice, order or proposal given or made in relation to the Security Assets by any competent authority, and either (1) comply with the same or (2) make such objections to the same as the Security Trustee (acting reasonably) may require or approve;
- 11.2.3 duly and punctually pay all rates, rents, taxes, and other outgoings due by it in respect of the Security Assets (or any of them) where failure to do so could reasonably be expected to have a Material Adverse Effect;
- 11.2.4 comply with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents where failure to do so could reasonably be expected to have a Material Adverse Effect;
- 11.2.5 comply with all covenants and obligations affecting any of the Security Assets (or the manner of use of any of them) where failure to do so could reasonably be expected to have a Material Adverse Effect;
- 11.2.6 not, except with the prior written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any of the Security Assets where failure to do so could reasonably be expected to have a Material Adverse Effect;
- 11.2.7 deposit with the Security Trustee following written demand all deeds and documents of title relating to the Security Assets (which the Security Trustee may hold until the security over such Security Asset is unconditionally and irrevocably released in accordance with clause 35.1 (*Obligation to release*));
- 11.2.8 provide the Security Trustee with all information which it may reasonably request in relation to the Security Assets;
- 11.2.9 not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Security

Assets (or make any omission which has such an effect) in each case where to do so could reasonably be expected to have a Material Adverse Effect.

11.3 Land, etc

11.3.1 Each of the Charging Companies will:

11.3.1.1 maintain all buildings and erections forming part of the Security Assets in a good state of repair; and

11.3.1.2 maintain all plant, machinery, fixtures, fittings and other effects for the time being owned by it in good working order and condition),

in each case where a failure to do so could reasonably be expected to have a Material Adverse Effect.

11.3.2 Other than in respect of the JV Leased Properties leased to the Existing Joint Ventures (or any of them) as at (1) the date of this Debenture or (2) the date of the Deed of Accession pursuant to which a Charging Company acceded to the terms of this Debenture (as the case may be), none of the Charging Companies will, except with the prior written consent of the Security Trustee, confer on any person:

11.3.2.1 any lease or tenancy of any of the Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);

11.3.2.2 any right or licence to occupy any land or buildings forming a material part of the Property; or

11.3.2.3 any licence to assign or sub-let any material part of the Property.

11.3.3 Where failure to do so could reasonably be expected to have a Material Adverse Effect, no Charging Company will carry out any development within the meaning of the Planning Acts in or upon any part of the Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure or a change of use of any part of the Property, without first obtaining the written consent of the Security Trustee.

11.3.4 None of the Charging Companies will do or permit to be done anything as a result of which any lease could reasonably be expected to be liable to forfeiture or otherwise be determined.

11.3.5 The Charging Companies will:

11.3.5.1 notify the Security Trustee forthwith upon the acquisition by a Charging Company of any estate or interest in any freehold or leasehold property; and

11.3.5.2 on demand by the Security Trustee, execute and deliver to the Security Trustee a legal mortgage (or, in the case of property situated in Scotland, a standard security) in favour of the Security Trustee of any freehold or leasehold property which becomes vested in it after the date of this Debenture (together with all fixtures and fittings thereon) to secure the payment of the Secured Obligations in any form which the Security Trustee reasonably requires. In the case of any leasehold property in relation to which the consent of the landlord in whom the reversion of that lease is vested is required in order for a Charging Company to perform any of its obligations under this clause 11.3.5,

such Charging Company shall not be required to perform that particular obligation unless and until it has obtained the landlord's consent (which it shall use its reasonable endeavours to do).

11.4 Insurance

- 11.4.1 Each Charging Company will, at all times, comply with its obligations as to insurance contained in the Facilities Agreement (and in particular clause [25.23]).
- 11.4.2 If at any time any Charging Company defaults in effecting or keeping up the insurances referred to in this clause 11.4, or in producing any insurance policy or receipt to the Security Trustee on demand, the Security Trustee may take out or renew such policies of insurance in any sum which the Security Trustee may reasonably think expedient. All monies which are expended by the Security Trustee in doing so shall be deemed to be properly paid by the Security Trustee and shall be reimbursed by such Charging Company on demand.
- 11.4.3 In relation to the proceeds of Insurances all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied in accordance with the provisions of the Facilities Agreement or (after the occurrence of an Enforcement Event which is continuing) in permanent reduction of the Secured Obligations in such order as the Security Trustee sees fit.

11.5 Undertakings in relation to Intellectual Property

Each Charging Company will, at all times, comply with its obligations as to Intellectual Property contained in the Facilities Agreement (and in particular clause 25.25).

11.6 Receivables and Security Accounts

- 11.6.1 Each Charging Company will, without prejudice to clause 11.1 (*Restrictions on dealings*) but in addition to the restrictions in that clause, not sell, assign, charge, factor or discount or in any other manner deal with any of the Receivables without the prior written consent of the Security Trustee or as otherwise permitted by the terms of any Finance Document.
- 11.6.2 Whilst an Enforcement Event is continuing, the Charging Companies must:
 - 11.6.2.1 collect all Receivables promptly in the ordinary course of trading as agent for the Security Trustee;
 - 11.6.2.2 immediately upon receipt pay all monies which it may receive in respect of the Receivables into such specially designated account(s) with the Security Trustee or such other account(s) with such other bank as the Security Trustee may from time to time direct (each such account together with all additions to or renewals or replacements thereof (in whatever currency) being a "Security Account"); and
 - 11.6.2.3 pending such payment into a Security Account, hold all monies so received upon trust for the Security Trustee.
- 11.6.3 The Account Bank will be The Governor and Company of the Bank of Scotland unless the Security Trustee specifies otherwise. Where any Security Account is not maintained with the Security Trustee, each of the relevant Charging Companies will immediately deliver to the relevant Account Bank a notice to that bank and procure that that Account Bank signs and delivers to the Security Trustee a letter, in each

case in the respective forms set out in schedule 1 (*Form of notice to bank operating Security Accounts*).

- 11.6.4 Whilst an Enforcement Event is continuing, none of the Charging Companies will attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in the Security Accounts without the prior consent of the Security Trustee and the Security Trustee shall be entitled in its absolute discretion to refuse to permit any such withdrawal or transfer. If there shall from time to time be any credit balance on any other account of any Charging Company with the Security Trustee into which proceeds of Receivables are paid or transferred, the Security Trustee shall be entitled whilst an Enforcement Event is continuing in its absolute discretion to refuse to permit such credit balance to be utilised or withdrawn by such Charging Company (whether in whole or in part) for so long as any of the Secured Obligations are outstanding.
- 11.6.5 Whilst an Enforcement Event is continuing, each Charging Company will deal with the Receivables (both collected and uncollected) and the Security Accounts in accordance with any directions given in writing from time to time by the Security Trustee and, in default of and subject to such directions, in accordance with this Deed provided that, for the avoidance of doubt, prior to the occurrence of an Enforcement Event, nothing in this clause 11.6.5 shall restrict the ability of the Charging Companies to deal with Receivables in the ordinary course of business (subject always to clause 11.6.1).
- 11.6.6 Following the occurrence of an Event of Default that is continuing, each Charging Company will deliver to the Security Trustee such information as to the amount and nature of the Receivables as the Security Trustee may from time to time reasonably require (taking into account the requirements of the Finance Documents).

11.7 Charged Investments

- 11.7.1 Each Charging Company will, by way of security for the Secured Obligations, in respect of all Charged Securities (other than the Excluded Securities) which are in certificated form:
- 11.7.1.1 immediately upon execution of this Debenture deliver to the Security Trustee (or as it may direct):
- (a) all certificates and other documents of title or evidence of ownership to the Charged Securities; together with
 - (b) instruments of transfer in respect of such Charged Securities executed in blank and left undated and/or such other documents as the Security Trustee shall require to enable it or its nominees to be registered as the owner of or otherwise acquire a legal title to the Charged Securities;
- 11.7.1.2 immediately upon receipt of any certificate or any other document of title to any other Charged Securities, deliver it to the Security Trustee together with instruments of transfer executed in blank and left undated or other documents required pursuant to clause 11.7.1.1 above.
- 11.7.2 In respect of any of the Charged Investments held by or on behalf of any nominee in any clearance or settlement system, each Charging Company will immediately upon execution of this Debenture or (if later) immediately upon acquisition of an interest in the relevant Charged Investments deliver to the Security Trustee duly executed stock notes or other documents in the name of the Security Trustee (or as it may

direct) issued by such nominee and representing or evidencing any benefit or entitlement to the Charged Investments held by such clearance or settlement system.

- 11.7.3 Each Charging Company will promptly pay all calls or other payments which may become due in respect of the Charged Investments.

12. REPRESENTATIONS AND WARRANTIES

12.1 Representations

Each Charging Company makes the representations and warranties set out in this clause 12.1 to the Security Trustee and to each other Finance Party:

- 12.1.1 Other than the Excluded Securities, the Charged Securities are fully paid and the Charged Securities constitute the entire issued share capital of the Charging Company specified therein.

- 12.1.2 In relation to Intellectual Property:

- 12.1.2.1 So far as the Charging Companies are aware, the Intellectual Property is all of the intellectual property which is required by the Charging Companies in order for the Charging Companies to carry on business as currently conducted. So far as the Charging Companies are aware, none of the Charging Companies, in carrying on business, infringes any intellectual property of any other person.

- 12.1.2.2 The Intellectual Property is free from any right or interest in favour of any third party.

- 12.1.2.3 There is no actual or, to the best of any of the Charging Company's knowledge and belief, threatened infringement of the Intellectual Property.

12.2 Matters represented

The representations and warranties in clause 12.1 (*Representations*) will be correct and complied with in all material respects at all times during the Security Period with reference to the circumstances existing at the time at which they are repeated.

13. POWERS OF LEASING

The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee whilst an Enforcement Event is continuing to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee shall think fit and without the need to comply with any of the provisions of sections 99 and 100 of the Act.

14. WHEN SECURITY BECOMES ENFORCEABLE

14.1 When enforceable

The security constituted by or pursuant to this Debenture shall become immediately enforceable upon the occurrence of an Enforcement Event and shall remain so for as long as the same is continuing. The power of sale and other powers conferred by section 101 of the Act (as varied or amended by this Debenture) shall be immediately exercisable upon and at any time after the occurrence of any Enforcement Event which is continuing.

14.2 Enforcement

After the security constituted by or pursuant to this Debenture has become enforceable the Security Trustee may in its absolute discretion enforce all or any part of such security in such manner as it sees fit.

15. ENFORCEMENT OF SECURITY**15.1 General**

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Debenture. Sections 93 (*restricting the right of consolidation*) and 103 (*restricting the power of sale*) of the Act shall not apply to the security created by or pursuant to this Debenture.

15.2 Powers of Security Trustee

At any time after the security constituted by or pursuant to this Debenture becomes enforceable, the Security Trustee may:

- 15.2.1 (or if so requested by a Charging Company by written notice at any time may) without further notice appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- 15.2.2 appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Charging Company; and/or
- 15.2.3 exercise all or any of the powers conferred on mortgagees by the Act (as varied or extended by this Debenture) and/or all or any of the powers which are conferred by this Debenture on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.

16. RECEIVER**16.1 Removal and replacement**

The Security Trustee may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to the provisions of section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

16.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, such persons shall have power to act individually (unless otherwise stated in the appointment document).

16.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Trustee (or, failing such agreement, to be fixed by the Security Trustee).

16.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Trustee in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Security Trustee in satisfaction of the Secured Obligations.

16.5 Agent of Charging Companies

Any Receiver shall be the agent of the Charging Companies. The Charging Companies shall (subject to the provisions of the Companies Act 1985 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Finance Party shall incur any liability (either to the Charging Companies or to any other person) by reason of the appointment of a Receiver or for any other reason.

17. POWERS OF RECEIVER**17.1 General powers**

Any Receiver shall have (1) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act, (2) (whether or not it is an administrative receiver) all the powers which are listed in schedule 1 to the Insolvency Act 1986 and (3) all powers which are conferred by any other law conferring power on receivers.

17.2 Additional powers

In addition, a Receiver shall have the following powers:

- 17.2.1 to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- 17.2.2 to manage the Security Assets and the business of any Charging Company as he thinks fit;
- 17.2.3 to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 17.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. Fixtures may be severed and sold separately from the Property containing them, without the consent of the relevant Charging Company. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- 17.2.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which a Charging Company was concerned or interested prior to his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- 17.2.6 to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of a Charging Company and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Charging Company;

- 17.2.7 to take any such proceedings (in the name of a Charging Company or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- 17.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 17.2.9 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Trustee shall direct);
- 17.2.10 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- 17.2.11 to form one or more Subsidiaries of any Charging Company, and to transfer to any such Subsidiary all or any part of the Security Assets;
- 17.2.12 to operate any rent review clause in respect of any Property in respect of which he was appointed or any part thereof and to apply for any new or extended lease; and
- 17.2.13 to:
 - 17.2.13.1 give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Assets;
 - 17.2.13.2 exercise in relation to the Security Assets or any part of them all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - 17.2.13.3 use the name of any Charging Company for any of the above purposes.

18. OTHER PROVISIONS RELATING TO ENFORCEMENT

18.1 No liability

Neither the Security Trustee, the other Finance Parties nor any Receiver shall be liable (1) in respect of all or any part of the Security Assets or (2) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).

18.2 Not mortgagee in possession

Without prejudice to the generality of clause 18.1 (*No liability*), entry into possession of the Security Assets shall not render the Security Trustee, any other Finance Party or the Receiver liable to account as mortgagee in possession or liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable (unless caused by gross negligence or wilful default). If and whenever the Security Trustee enters into possession of the Security Assets, it shall be entitled to any time at its discretion to go out of such possession.

18.3 Rights

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers (when such receivers have been duly appointed under the Act) except that section 103 of the Act does not apply.

19. PROTECTION OF THIRD PARTIES

No person (including a purchaser) shall be concerned to enquire whether the right of the Security Trustee to appoint a Receiver, or whether any power which the Security Trustee or any Receiver is purporting to exercise, has arisen or become exercisable, nor be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of any such powers. The position of such a person and their title (if a purchaser) shall not be impeachable by reference to any of those matters.

20. APPLICATION OF PROCEEDS

All monies received by the Security Trustee or any Receiver under or in connection with this Debenture after the security created by or pursuant to this Debenture has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the security constituted by this Debenture) be applied in the following order:

- 20.1 *first* in satisfaction of or provision for all costs, charges and expenses incurred and payments made by the Security Trustee, any other Finance Party or any Receiver and of all remuneration due to the Receiver;
- 20.2 *secondly* in or towards the satisfaction of the remaining Secured Obligations; and
- 20.3 *thirdly* in payment of any surplus to any Charging Company or other person entitled to it.

For the avoidance of doubt, any monies standing to the credit of any account with the Security Trustee of a Charging Company or in which a Charging Company has an interest may be applied in accordance with this clause.

21. APPROPRIATION AND SUSPENSE ACCOUNT

Until all amounts which may be or become payable by the Charging Companies under or in connection with the Finance Documents have been irrevocably paid in full, the Security Trustee, or any Finance Party, may:

- 21.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee or any other Finance Party in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those same amounts or otherwise) and no Charging Company shall be entitled to the benefit of the same; and
- 21.2 hold in an interest bearing suspense account any moneys received from any Charging Company or on account of any Charging Company's liability for so long as the Security Trustee determines (with interest, if any, accruing thereon for the account of the relevant Charging Company) without the Security Trustee having any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations.

22. CONSOLIDATION OF ACCOUNTS AND SET-OFF

22.1 Set-off

The Security Trustee and each of the other Finance Parties may set off any matured obligation due from a Charging Company under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Charging Company, regardless of the place of payment, booking branch or currency of either obligations. If the obligations are in different currencies, the Security Trustee or relevant Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

22.2 Nature of obligations

The liabilities referred to in this clause 22 may be actual, contingent, primary, collateral, several or joint liabilities.

22.3 Amount

If the relevant obligation or liability is unliquidated or unascertained the relevant Finance Party may set off the amount which it estimates (in good faith) will be the final amount of such obligation or liability once it becomes liquidated or ascertained.

23. DELEGATION

Each of the Security Trustee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them under this Debenture upon any terms (including power to sub-delegate) which it may think fit.

24. FURTHER ASSURANCE**24.1 Further assurance**

Whenever requested by the Security Trustee (acting reasonably) each of the Charging Companies will at its own expense, promptly execute any deeds or documents and take any action required by the Security Trustee:

- 24.1.1 to perfect, improve and protect the security created (or intended to be created) by or pursuant to this Debenture; or
- 24.1.2 following the occurrence of an Enforcement Event, to facilitate the realisation of any Security Asset or otherwise to enforce the security created by or pursuant to this Debenture; or
- 24.1.3 following the occurrence of an Enforcement Event to exercise any of the rights of the Security Trustee or any Receiver or any delegate or sub-delegate thereof under this Debenture,

including (without limitation) (1) the execution of any transfer, conveyance, assignment or assurance of any property or assets (whether to the Security Trustee or its nominees) and (2) the giving of any notice, order or direction and the making of any registration which, in any such case, the Security Trustee may think expedient provided that the execution of any such transfer, conveyance, assignment, assurance, the giving of any notice, order or direction or the making of any registration pursuant to clause 24.1.2 or 24.1.3 (as the case may be) shall only be required after the occurrence of an Enforcement Event.

24.2 Specific obligations

Without limiting the generality of clause 24.1 (*Further assurance*), each Charging Company will execute, in favour of the Security Trustee and in such form as the Security Trustee shall reasonably require:

- 24.2.1 a valid legal mortgage of any freehold or leasehold Property which is not hereby effectively charged by way of legal mortgage now or in the future belonging to such Charging Company;
- 24.2.2 at any time after the occurrence of an Enforcement Event that is continuing, a legal assignment over all or any of the Receivables and give notice of such assignment to the persons liable to discharge those Receivables (whether as principal debtor or as surety); and

24.2.3 at any time after the occurrence of an Enforcement Event that is continuing, a valid fixed charge over any asset which is subject to the floating charge under this Debenture.

24.3 Cost and terms

Any security document required to be executed by a Charging Company pursuant to this clause 24 (*Further assurance*) or clause 11.3.5.2 will be prepared at the cost of such Charging Company and will contain terms and conditions which are no more onerous than those contained in this Debenture.

24.4 Intellectual Property

Any relevant Charging Company as registered proprietor appoints the Security Trustee as its agent to apply for the particulars of this Debenture, and of the interest of the Security Trustee in any registered Intellectual Property (and any other or future Intellectual Property (including but not limited to trade marks and trade mark applications) registered or to be registered in the United Kingdom in the name of such Charging Company), to be entered on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994 and the relevant Charging Company agrees to execute all documents and forms required to enable such particulars to be entered on such register.

25. POWER OF ATTORNEY

Each Charging Company by way of security irrevocably and severally appoints the Security Trustee and every Receiver and any person nominated for the purpose by the Security Trustee or any Receiver (in writing under hand signed by an officer of the Security Trustee or any Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to:

- 25.1 sign or execute (using the company seal where appropriate) any document, or take any action, in each case which such Charging Company is obliged to sign, execute or take under this Debenture and had failed to do (including under clause 24 (*Further assurance*)); and
- 25.2 following the occurrence of an Event of Default that is continuing do all such acts or things as may be required by the Security Trustee or any Receiver under this Debenture or in the exercise of any of their powers.

Each Charging Company ratifies and confirms whatever any attorney does or purports to do in relation to such Charging Company pursuant to its appointment under this clause.

26. NOTICE OF SUBSEQUENT SECURITY

If the Security Trustee or any other Finance Party receives notice (whether actual or otherwise) of any subsequent Security other than Permitted Security affecting any part of the Security Assets and/or the proceeds of sale thereof, it may open a new account or accounts for the Charging Companies in its books. If it does not do so then, as from the time of receipt of such notice by the Security Trustee or such other Finance Party, all payments made by the Charging Companies to the Security Trustee or any other Finance Party shall be treated as having been credited to a new account of the Charging Companies and not as having been applied in reduction of the Secured Obligations.

27. PAYMENTS**27.1 Payments**

Subject to clause 27.2 (*Gross-up*), all payments to be made by the Charging Companies in respect of this Debenture must be made:

- 27.1.1 in immediately available funds to the credit of such account as the Security Trustee may designate; and
- 27.1.2 free and clear of, and without any deduction for, or on account of, any set-off or counterclaim or, except to the extent compelled by law, any deduction on account of any Taxes.

27.2 Gross-up

If any Charging Company is compelled by law to make any Tax Deduction or withholding from any sum payable under this Debenture to the Security Trustee or any of the Finance Parties, the sum so payable by such Charging Company shall be increased so as to result in the receipt by the Security Trustee or such Finance Party of a net amount equal to the full amount expressed to be payable under this Debenture for so long as the Security Trustee or relevant Finance Party (as the case may be) is a Qualifying Lender.

28. COSTS AND EXPENSES

Each Charging Company shall within three Business Days of demand, pay to the Security Trustee, each of the other Finance Parties and any Receiver the amount of all costs and expenses (including, legal fees) incurred in connection with the enforcement of, or the preservation of any rights under, this Debenture or any of the documents referred to in this Debenture (including all remuneration of the Receiver) and any proceedings instituted by or against the Security Trustee or any Receiver as a consequence of taking or holding this Debenture or enforcing their rights hereunder.

29. STAMP DUTY

Each Charging Company shall pay, and within three Business Days of demand, indemnify the Security Trustee and each other Finance Party, against any cost, loss or liability the Security Trustee or that Finance Party incurs in relation to all stamp duty, registration and other similar taxes payable in respect of this Debenture or any judgment in connection with it.

30. CURRENCIES**Conversion**

All monies received or held by the Security Trustee or any Receiver under this Debenture may be converted from their existing currency into such other currency as amounts outstanding under the relevant Finance Documents are denominated at the Spot Rate of Exchange. The Charging Companies shall indemnify the Security Trustee against all costs, charges and expenses incurred in relation to such sale. Neither the Security Trustee nor any Receiver shall have any liability to the Charging Companies in respect of any loss resulting from any fluctuation in exchange rates after any such sale.

31. PROTECTIVE CLAUSES

This Debenture and the liability of each Charging Company shall not be affected or prejudiced by reason of:

- 31.1 the (1) winding up, dissolution, administration or reorganisation, (2) any incapacity or (3) any change in the name, status, ownership or constitution, of any Charging Company or any other person;

- 31.2 any Finance Party (1) granting any time, indulgence or concession to any Charging Company or any other person liable or (2) compounding with, discharging, releasing or varying the liability of any Charging Company or any other person liable or (3) omitting to claim or enforce payment from any Charging Company or any other person liable; or
- 31.3 (1) any Finance Party renewing, terminating, varying or increasing any facility or transaction or (2) any amendment or supplement to, or restatement, novation or replacement of any Finance Document (in each case whether or not the liability of the Charging Companies is increased thereby).

32. REDEMPTION OF PRIOR MORTGAGES

The Security Trustee may, at any time after the security created by this Debenture has become enforceable, redeem any prior Security against all or any part of the Security Assets or procure the transfer of that Security to itself, and may settle and pass the accounts of the holder of any prior Security. Any accounts so settled and passed shall be conclusive and binding on the Charging Companies. All principal, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by the Charging Companies to the Security Trustee on demand.

33. HM LAND REGISTRY

In respect of any Property which is registered land (or unregistered land subject to compulsory first registration), the relevant Charging Company (1) will give written notice of this Debenture to HM Land Registry and procure that notice of this Debenture is duly noted in the Register to each such title and (2):

33.1 applies (in respect of Property which it now holds); and

33.2 agrees to apply (in respect of Property which it may acquire after the date of this Debenture),

to the Chief Land Registrar for the registration of a restriction against the registered titles in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated ◆ 2004 in favour of The Governor and Company of the Bank of Scotland (as security trustee) referred to in the charges register."

34. TACKING

The security created pursuant to this Debenture is created for the purpose of securing further advances. The obligation on the part of the Lenders to make funds available to the Charging Companies (including any obligation to make further advances) under the Facilities Agreement (subject to the terms of the Finance Documents) shall be deemed to be incorporated in this Debenture for the purposes of section 94(1)(c) of the Act and section 49(3) of the Land Registration Act 2002. The relevant Charging Company hereby applies to the Chief Land Registrar to enter a notice of such obligation on each of the titles referred to in clause 33 (*HM Land Registry*).

35. RELEASE

35.1 Obligation to release

Upon the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of a Charging Company, do all things necessary to release or re-assign the Security Assets (without recourse or warranty) from the security constituted by this Debenture. Such release or re-assignment shall be subject to clause 35.2 (*Reinstatement*).

35.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Charging Companies or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of each of the Charging Companies under this Debenture shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

35.3 Partial release

The Security Trustee may release or re-assign any Security Assets from the security created by or pursuant to this Debenture at any time and any such release shall not in any way affect, prejudice or invalidate the security created by or pursuant to this Debenture over any other Security Assets, or the obligations of the Charging Companies under this Debenture or any other Finance Document.

36. AMENDMENTS AND WAIVERS

36.1 Subject to clause 38.2 (*Exceptions*) of the Facilities Agreement any term of this Debenture may be amended or waived only with the consent of the Security Trustee and the Charging Companies and any such amendment or waiver will be binding on all Parties.

36.2 The Security Trustee may effect, on behalf of the Finance Parties, an amendment or waiver permitted by clause 36.1.

37. ASSIGNMENT**37.1 Charging Companies**

No Charging Company may assign any of its rights or transfer any of its rights or obligations under this Debenture.

37.2 Security Trustee

The Security Trustee may assign or transfer all or any part of its rights under this Debenture pursuant to the resignation or removal of the Security Trustee in accordance with the terms of the Security Trust Deed and the Facilities Agreement. Each Charging Company will, immediately upon being requested to do so by the Security Trustee and at the cost of the Security Trustee, enter into such documents as may be necessary or desirable to effect such transfer.

38. CALCULATIONS AND CERTIFICATES

Any certification or determination by the Security Trustee or a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

39. NOTICES**39.1 Facilities Agreement**

The provisions of clause 34 of the Facilities Agreement (*Notices*) (relating to all communications to be made under the Facilities Agreement) are incorporated into this Debenture as if fully set out in this Debenture except that references to the Facilities Agreement shall be construed as references to this Debenture. The address and fax numbers of each party to this Debenture for all notices given under or in connection with this

Debenture are those notified from time to time by the relevant party to this Debenture for the purposes of the Facilities Agreement to the Agent (or, in the case of the Agent, by it to other Parties).

39.2 No deemed notice to Security Trustee

Any notice to the Security Trustee shall be deemed to have been given only on actual receipt by the Security Trustee.

40. PARTIAL INVALIDITY

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

41. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee or any other Finance Party, any right, or remedy under this Debenture shall operate as a waiver, nor shall any single or partial exercise of any right, or remedy prevent any other or further exercise, or the exercise of any other right or remedy. The rights and remedies provided in this Debenture cumulative and not exclusive of any rights or remedies provided by law.

42. COUNTERPARTS

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

43. THIRD PARTY RIGHTS

A person who is not a party to this Debenture shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture. This clause does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to that Act.

44. GOVERNING LAW

This Debenture is governed by English law.

45. ENFORCEMENT

45.1 Jurisdiction of English courts

45.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a "Dispute").

45.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

45.1.3 This clause 45.1 is for the benefit of the Finance Parties and Secured Parties only. As a result, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

45.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, each Charging Company (other than a Charging Company incorporated in England and Wales):

- (a) irrevocably appoints the Company as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture; and
- (b) agrees that failure by a process agent to notify the relevant Charging Company of the process will not invalidate the proceedings concerned.

IN WITNESS of which this Debenture has been duly executed by each Charging Company as a deed and duly executed by the Security Trustee and has been delivered on the date written at the beginning of this Debenture.

SCHEDULE 1**Form of notice to and acknowledgement from bank operating Security Accounts**

To: [◆insert name and address of Account Bank]

Dated: ◆ 200◆

Dear Sirs,

Re:	Account Holder: [◆insert name of Borrower] (the "Borrower")
	Security Account Nos: [◆insert number] (the "Security Account[◆s]")
	Account Branch: [◆insert branch address]

We give notice that, by a debenture dated [◆DATE] 2004 (the "Security Document"), the Borrower has charged to The Governor and Company of the Bank of Scotland (the "Security Trustee") as security trustee for certain banks and others (as specified in the Security Document) all our present and future right, title and interest in and to:

- (a) the Security Accounts, all monies from time to time standing to the credit of the Security Accounts and all additions to or renewals or replacements thereof (in whatever currency); and
- (b) all monies standing to the credit of any other accounts from time to time maintained with you by the Borrower,

(together the "Charged Accounts") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.

We advise you that, under the terms of the Security Document, we are not entitled to withdraw any monies from the Security Accounts without first having obtained the prior written consent of the Security Trustee.

We irrevocably authorise and instruct you from time to time:

- (a) unless the Security Trustee so authorises you, not to permit withdrawals from the Security Accounts;
- (b) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Trustee;
- (c) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Security Trustee (or as it may direct) promptly following receipt of written instructions from the Security Trustee to that effect; and
- (d) to disclose to the Security Trustee such information relating to the Borrower and the Charged Accounts as the Security Trustee may from time to time request you to provide.

We agree that you are not bound to enquire whether the right of the Security Trustee to withdraw any monies from any Charged Account has arisen or be concerned with the propriety or regularity of the exercise of that right or to be concerned with notice to the contrary or be concerned with or responsible for the application of any monies received by the Security Trustee.

The provisions of this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm by completing the enclosed copy of this notice and returning it to the Security Trustee (with a copy to the Borrower) that:

1. you agree to act in accordance with the provisions of this notice;
2. you have not, at the date this notice is returned to the Security Trustee, received notice of any assignment or charge of or claim to the monies standing to the credit of any of the Charged Accounts or the grant of any security or other interest over those monies in favour of any third party and you will notify the Security Trustee promptly if you should do so in the future; and
3. you do not now and will not in the future exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts.

This notice (and any acknowledgement) shall be governed by and construed in accordance with the laws of England.

Yours faithfully,

for and on behalf of
[◆NAME OF BORROWER]

Countersigned by

for and on behalf of
The Governor and Company of the Bank of Scotland

[On Copy]

To: The Governor and Company of the Bank of Scotland
 as Security Trustee
 [◆ADDRESS OF SECURITY TRUSTEE]

Copy to: [◆NAME OF BORROWER]

We acknowledge receipt of the above notice. We confirm and agree:

- (a) that the matters referred to in it do not conflict with the terms which apply to any Charged Account;
and
- (b) the matters set out in paragraphs 1 to 3 in the above notice.

for and on behalf of
[◆Insert name of Account Bank]

Dated: ◆ 200◆

SCHEDULE 2**Form of notice to and acknowledgment by insurers**

To: [◆insert name and address of Insurer]

Dated:◆ 200◆

Dear Sirs,

Re: [◆describe Insurances] (the "Policy[◆ies]")

We give notice that, by a debenture dated [◆ DATE] 2004 (the "Security Document"), we have assigned to The Governor and Company of the Bank of Scotland (the "Security Trustee") as security trustee for certain banks and others (as specified in the Security Document) all our present and future right, title and interest in and to the Policies.

We irrevocably authorise and instruct you (notwithstanding any previous instructions which we may have given you to the contrary) following your receipt of written notice from the Security Trustee that the Security Document has become enforceable:

- (i) to disclose to the Security Trustee such information relating to the Policies as the Security Trustee may from time to time request you to provide;
- (ii) to comply with the terms of any written notice, statement or instructions in any way relating to or purporting to relate to any of the Policies; and
- (iii) to pay all monies becoming due and payable in respect of the Policies to the Security Trustee in accordance with its instructions.

The provisions of this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm by completing the enclosed copy of this notice and returning it to the Security Trustee that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you have not, at the date this notice is returned to the Security Trustee, received any notice that any third party has or will have any right, title or interest in or will be making any claim or demand or taking any action against the Policies;
- (c) if you become aware at any time that any person or entity has or will have a right, title or interest in or to the Policies, you will as soon as practicable give written notice of the terms of such right, title or interest, claim, demand or action to the Security Trustee; and
- (d) you acknowledge that the terms of the Policies may not be amended, varied or cancelled and no waiver granted in relation thereto without the consent of the Security Trustee.

This notice (and any acknowledgement) shall be governed by and construed in accordance with the laws of England.

Yours faithfully

.....
for and on behalf of
◆ Limited

[On Copy]

To: The Governor and Company of the Bank of Scotland

[◆ Address]

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

.....
for and on behalf of

[◆ *insert name and address of Insurer*]

Dated: ◆ 200◆

SCHEDULE 3

Deed of Accession

THIS SUPPLEMENTAL DEED is made on ♦

200♦

BETWEEN:

- (1) **THE COMPANIES LISTED IN SCHEDULE 1** (each an "Acceding Company", together the "Acceding Companies");
- (2) **THE COMPANIES LISTED IN SCHEDULE 2** (together the "Existing Charging Companies"); and
- (3) **THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND** (the "Security Trustee").

WHEREAS

This Supplemental Deed is supplemental to a debenture dated ♦ 2004 and made between, *inter alia*, the Existing Charging Companies (1) and the Security Trustee (2) (the "Debenture").

IT IS AGREED and declared as follows:

1. DEFINITIONS

- 1.1 Words or expressions defined (including by reference) in the Debenture shall, unless otherwise defined herein, bear the same meaning in this Supplemental Deed (including the recital hereto).
- 1.2 The principles of construction set out in clause 1.2 of the Debenture shall apply *mutatis mutandis* to this Supplemental Deed as if the same were set out in full herein.

2. ACCESSION OF THE ACCEDING COMPANY

- 2.1 By its execution of this Supplemental Deed, each of the Acceding Companies unconditionally and irrevocably undertakes to and agrees with the Security Trustee to observe and be bound by the terms and provisions of the Debenture as if it were an original party thereto as one of the Charging Companies.
- 2.2 Without prejudice to the generality of sub-clause 2.1, each Acceding Company hereby:
 - 2.2.1 (jointly and severally with the other Charging Companies) covenants in the terms set out in clauses 2, 3, 4 and 5 of the Debenture; and
 - 2.2.2 with full title guarantee, charges and assigns to the Security Trustee as security for the payment and discharge of all monies and liabilities hereby, or by the Debenture, covenanted to be paid or discharged by it, all its property, assets and undertaking on the terms set out in clause 4 and 5 of the Debenture.
- 2.3 The Existing Charging Companies hereby consent to the accession of the Acceding Companies to the Debenture on the terms of clauses 2.1 and 2.2 of this Supplemental Deed and agree that the Debenture shall hereafter be read and construed as if the Acceding Companies had been named therein as Charging Companies.

3. INTERPRETATION

This Supplemental Deed shall hereafter be read as one with the Debenture, so that all references in the Debenture to "*this Debenture*", "*herein*" and similar expressions shall include references to this Supplemental Deed.

4. DELIVERY

This Supplemental Deed shall be treated as having been executed and delivered as a deed only upon being dated.

5. COUNTERPARTS

This Supplemental Deed may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered to any party shall be an original, but all the counterparts shall constitute one and the same instrument.

6. THIRD PARTY RIGHTS

A person who is not a party to this Supplemental Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supplemental Deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

7. GOVERNING LAW AND JURISDICTION

The provisions of clause 44 of the Debenture shall apply *mutatis mutandis* to this Supplemental Deed as if the same were set out in full herein.

IN WITNESS whereof each of the parties to this Supplemental Deed have duly executed this deed the day and year first above written.

SCHEDULE 1**The Acceding Companies**

Company Name	Registration Number
◆	◆

SCHEDULE 2**The Existing Charging Companies**

Company Name	Registration Number
◆	◆

CHARGING COMPANIES

EXECUTED (but not delivered until the)
date hereof) as a deed by [**NAME OF**)
ACCEDING COMPANY] acting by:)
)

Director

Director/Secretary

EXECUTED (but not delivered until the)
date hereof) as a deed by [**NAME OF**)
ACCEDING COMPANY] acting by:)
)

Director

Director/Secretary

SECURITY TRUSTEE

SIGNED by **NAME**)
for and on behalf of [**NAME OF**)
SECURITY TRUSTEE] in the presence)
of:)

EXECUTION PAGES

THE CHARGING COMPANY

EXECUTED as a deed (but not delivered until the)
date of this Debenture) by Press Acquisitions Limited)
acting by:)

Director

Director/Secretary

Address:

Facsimile No:

THE SECURITY TRUSTEE

SIGNED by The Governor and Company of the Bank)
of Scotland (as Security Trustee) acting by:)

Signature

Signature of Witness

Name of Witness:

Occupation:

Address:

Address:

Attention:

Facsimile No:



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 05098596

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 22nd JUNE 2004 AND CREATED BY PRESS ACQUISITIONS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND (THE SECURITY TRUSTEE) (WHETHER ON ITS OWN ACCOUNT OR ON BEHALF OF ANY OF THE FINANCE PARTIES) OR TO THE OTHER FINANCE PARTIES (OR ANY OF THEM) UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 1st JULY 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd JULY 2004.



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES