



**Registration of a Charge**

Company name: **AA MEDIA LIMITED**

Company number: **06112600**

Received for Electronic Filing: **02/04/2019**



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**Details of Charge**

Date of creation: **29/03/2019**

Charge code: **0611 2600 0002**

Persons entitled: **AA CORPORATION LIMITED (COMPANY NUMBER 03797747)**

Brief description: **FIXED CHARGE OVER REAL PROPERTY (PRESENT AND FUTURE FREEHOLD AND/OR LEASEHOLD PROPERTIES AND ANY BUILDINGS, FIXTURES, FITTINGS, FIXED PLANT OR MACHINERY FROM TIME TO TIME SITUATED ON OR FORMING ANY PART OF SUCH PROPERTY), SUBJECT TO CERTAIN EXCLUSIONS RELATING TO LEASEHOLD PROPERTY, AND ALL RIGHTS, TITLE AND INTEREST IN PRESENT AND FUTURE INTELLECTUAL PROPERTY.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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## Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LAURA MAY**



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

Company number: 6112600

Charge code: 0611 2600 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th March 2019 and created by AA MEDIA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd April 2019 .

Given at Companies House, Cardiff on 3rd April 2019

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 29 MARCH 2019

AA MEDIA LIMITED  
AA CORPORATION LIMITED

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DEBENTURE

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DATED 29 MARCH

2019

**PARTIES:**

- (1) **AA CORPORATION LIMITED**, a company incorporated and registered in England and Wales with company number **03797747**, whose registered office is at Fanum House, Basing View, Basingstoke, Hampshire, RG21 4EA (the "**Company**"); and
- (2) **AA MEDIA LIMITED**, a company incorporated and registered in England and Wales with company number 06112600, whose registered office is at Fanum House, Basing View, Basingstoke, Hampshire, RG21 4EA (the "**Chargor**").

**OPERATIVE PROVISIONS**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed the following words and expressions have the following meanings unless the context requires otherwise:

"AA Group Company"	the Company and any other member of its Group;
"Account"	has the meaning given in clause 3.2.11;
"Business Day"	a day (other than a Saturday, Sunday or public holiday in England) when banks in London are generally open for business;
"Debts"	has the meaning given in clause 3.2.10;
"Enforcement Event"	the Noteholders (as defined in the Loan Note Instrument) directing, pursuant to clause 6 ( <i>Acceleration</i> ) of the Loan Note Instrument, that the principal amount of all Loan Notes, all unpaid accrued interest and any other sum then payable on the Loan Notes have become due and payable;
"Floating Charge Assets"	the assets for the time being comprised within the floating charge created by Clause 3.4 (Floating charge);
"Group"	a company and any holding company from time to time of that company and all subsidiaries of that company and its holding companies from time to time;
"Insurance Policies"	each of the insurance policies (excluding third party liability and public liability insurance and directors and officers insurance) now or in the future held by or otherwise benefiting the Chargor any insurance policies that are

effected to renew, substitute or replace any such insurance policies and **"Insurance Policy"** means any one of them;

**"Intellectual Property"**

any present or future:

- (a) patents, trade marks, service marks, brand and trade names, domain names, copyrights, design rights and registered designs, documented trade secrets and know-how, confidential information and other intellectual property rights and interests;
- (b) applications for the protection of any such rights and assets in any part of the world; and
- (c) agreements and licences relating to the rights to use such assets or exploitation of any such rights and assets,

held by or for the benefit of the Chargor;

**"Loan Note Documents"**

the Loan Note Instrument and the Loan Notes;

**"Loan Note Instrument"**

the deed of the Chargor executed by the Chargor on or about the date of this Deed, constituting the Loan Notes;

**"Loan Notes"**

the Secured Fixed Rate Loan Notes 2024 of the Chargor constituted by the Loan Note Instrument;

**"LPA 1925"**

the Law of Property Act 1925;

**"Material Real Property"**

any Real Property excluding all leasehold property held by the Chargor, and all future leasehold property acquired by the Chargor after the date hereof, in each case under a lease granted at a rack rent for a term of less than 10 years;

**"Parties"**

the parties to this Deed, and **"Party"** shall be construed accordingly;

**"Permitted Security"**

- (a) the Security Interests constituted by or arising under this Deed;
- (b) any lien arising in the ordinary course of trading and by operation of law;
- (c) any Security Interest arising under finance leases,

retention of title, hire purchase or similar arrangements entered into in the ordinary course of business and on the supplier's usual terms and not because the Chargor has breached those terms;

- (d) any netting or set-off arrangement entered into by the Chargor in the ordinary course of its banking arrangements;
- (e) any Security Interest arising by operation of law in respect of taxes being contested in good faith or that are not yet due;
- (f) any Security Interest over goods or documents of title to goods arising in the ordinary course of letter of credit transactions entered into by the Chargor in the ordinary course of trading;
- (g) any Security Interest arising in respect of any judgment or award for which an appeal or proceedings for review are being diligently pursued in good faith or in respect of which the relevant court is assessing the quantum of damages; and
- (h) any Security Interest arising under a rent deposit deed or other deposit requirement entered into on arm's length terms and in the ordinary course of business securing the obligations of the Chargor in relation to property leased or licensed to the Chargor;

**"Plant and Machinery"**

any present or future plant, machinery, office equipment, computers, vehicles and other chattels of the Chargor (excluding those forming part of the Chargor's stock in trade or work in progress);

**"Real Property"**

- (a) any present or future freehold and/or leasehold properties in which the Chargor has an interest; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any of such properties;

**"Receiver"**

any receiver appointed under this Deed or pursuant to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if

the Company is permitted to appoint such administrative receiver);

**"Related Rights"**

all of the present and future rights to:

- (a) dividends, distributions, interest and other income from the Shares and Investments;
- (b) allotments, rights, money or property arising from the Shares and Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (c) stock, shares and securities offered in addition to or substitution for the Shares and Investments; and
- (d) proceeds of, or from, the disposal of, or other dealing with, any Shares and Investments;

**"Secured Assets"**

all of the present and future assets and undertaking of the Chargor which from time to time are the subject of any Security Interest created, or purported to be created, by or pursuant to this Deed;

**"Secured Obligations"**

all present and future obligations and liabilities (whether actual or contingent, whether incurred alone, jointly or severally, whether as principal or surety and/or in any other capacity whatsoever and regardless of how they arise) owed by the Chargor to the Company under the Loan Note Documents together with all losses, costs, charges, expenses and liabilities including interest incurred by the Company in connection with the protection, preservation or enforcement of its rights under any Loan Note Document;

**"Secured Share Assets"**

all of the:

- (a) Shares and Investments; and
- (b) Related Rights;

**"Security Interest"**

any charge, pledge, mortgage, lien or other security interest securing any obligations of any person or any other arrangement of any type whatsoever having the effect of conferring security or a similar effect;



<b>"Security Period"</b>	the period beginning on the date of this Deed and ending on the date on which the Company is satisfied (acting reasonably) that the Secured Obligations have been unconditionally and irrevocably discharged in full and that no further Secured Obligations are capable of being outstanding;
<b>"Shares"</b>	shares owned or held by the Chargor, or by any nominee on behalf of the Chargor;
<b>"Shares and Investments"</b>	all of the present and future: <ul style="list-style-type: none"> <li>(a) Shares; and</li> <li>(b) stocks, debentures, securities and certificates of deposit held by the Chargor or by any nominee on behalf of the Chargor; and</li> </ul>
<b>"Sterling"</b>	£ mean the lawful currency of the United Kingdom.

## 1.2 Interpretation

1.2.1 In this Deed, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa;
- (b) including means including without limitation;
- (c) where an act is required to be performed promptly, it must be performed as soon as reasonably possible from the moment when the act could reasonably have been performed, having regard to all of the circumstances;
- (d) a time of day is a reference to London time;
- (e) a reference to any Party shall be construed as including, where relevant, successors in title to that Party, and that Party's permitted assigns and transferees (if any);
- (f) a reference to a person includes individuals, unincorporated bodies, government entities, companies and corporations;
- (g) a reference to a Clause is to a clause of this Deed;
- (h) a reference to this Deed or any other agreement is a reference to that document as amended, novated, supplemented, restated or replaced from time to time in accordance with its terms; and
- (i) references to legislation include any modification or re-enactment of such legislation or any part of it.

1.2.2 Where used in this Deed, the terms "subsidiary" and "holding company" shall have the meanings respectively attributed to them at the date of this Deed by section 1159 of the Companies Act 2006.

1.2.3 Any Clause title or other headings in this Deed are included for convenience only and shall have no effect on the interpretation of this Deed.

### **1.3 Contract for the disposition of Real Property**

The terms of any agreement or side letter entered into between the Parties in relation to this Deed or the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of any Real Property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

### **1.4 Third party rights**

1.4.1 Except as expressly provided for in this Deed, a person who is not a Party (other than a Receiver or any of its delegates or sub-delegates) shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this Deed. This does not affect any right or remedy of such a person that exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

1.4.2 The Parties agree that any AA Group Company shall have the right to enforce this Deed in accordance with the Contracts (Rights of Third Parties) Act 1999.

1.4.3 The Parties may terminate or rescind this Deed, or agree to any variation, waiver or settlement in connection with it, without the consent of any third party, whether or not it extinguishes or alters any entitlement they may have to enforce any of the provisions of this Deed.

## **2 COVENANT TO PAY**

The Chargor covenants with the Company that it shall, on written demand by the Company, pay and discharge all the Secured Obligations when due, (together with all interest, fees, costs and expenses charged by or incurred by the Company in connection with the Chargor's obligations to pay and discharge the Secured Obligations).

## **3 FIXED AND FLOATING SECURITY**

### **3.1 Legal mortgage**

The Chargor, with full title guarantee, charges by way of legal mortgage, in favour of the Company, all of the Material Real Property in which the Chargor has an interest on the date of this Deed as security for the payment and discharge of the Secured Obligations.

### **3.2 Fixed charges**

To the extent not validly or effectively charged by way of legal mortgage under Clause 3.1 (Legal mortgage) or assigned under Clause 3.3 (Assignments by way of security), the Chargor, with full title guarantee, charges by way of fixed charge, in favour of the Company,

all of the Chargor's rights, title and interest from time to time in and to each of the following assets, as security for the payment and discharge of the Secured Obligations:

- 3.2.1 its Material Real Property;
- 3.2.2 all rental and other income and all debts, rights and claims now or in the future due or owing to the Chargor under or in connection with any lease, agreement or licence relating to its Material Real Property;
- 3.2.3 all of the Chargor's present and future rights and claims against the lessees, sub-lessees or licensees of its Material Real Property and all guarantors and sureties for the obligations of such lessees, sub-lessees or licensees; and
- 3.2.4 each of the present and future agreements, licences, options, contracts, guarantees, warranties, easements, agreements for lease, and any other document, in each case, entered into by the Chargor relating to the use, acquisition, exploitation, disposal of or dealings with any of the Material Real Property;
- 3.2.5 all Plant and Machinery;
- 3.2.6 all of its Shares and Investments and all the Related Rights;
- 3.2.7 all of the Chargor's rights and claims arising in relation to each of the Insurance Policies, including the benefit of all claims arising and all money payable under such Insurance Policies;
- 3.2.8 all its goodwill and all rights and claims relating to the uncalled capital of the Chargor;
- 3.2.9 all of the Chargor's rights, title and interest in the Intellectual Property;
- 3.2.10 all book and other debts due to the Chargor and their proceeds (both collected and uncollected) (together the "**Debts**") and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of monies and all rights to enforce the Debts (or any of them); and
- 3.2.11 all monies from time to time standing to the credit of each account held by the Chargor with any bank, building society, financial institution or other person (each an "**Account**").

### **3.3 Assignments by way of security**

The Chargor, with full title guarantee, assigns absolutely to the Company, as security for the payment and discharge of the Secured Obligations:

- 3.3.1 all rental and other income and all debts, rights and claims now or in the future due or owing to the Chargor under or in connection with any lease, agreement or licence relating to its Material Real Property;
- 3.3.2 all of the Chargor's present and future rights and claims against the lessees, sub-lessees or licensees of its Material Real Property and all guarantors and sureties for the obligations of such lessees, sub-lessees or licensees;
- 3.3.3 the benefit of each of the present and future agreements, licences, options, contracts, guarantees, warranties, easements, agreements for lease, and any other document, in each case, entered into by the Chargor relating to the use, acquisition, exploitation, disposal of or dealings with any of the Material Real Property; and
- 3.3.4 all of the Chargor's rights and claims in relation to the Insurance Policies.

### **3.4 Floating charge**

- 3.4.1 The Chargor, with full title guarantee, charges by way of floating charge in favour of the Company as security for the payment and discharge of the Secured Obligations, all of its present and future assets (except to the extent that those assets are for the time being effectively charged by way of legal mortgage or fixed charge or assigned under Clauses 3.1 (Legal mortgage), 3.2 (Fixed charges) or 3.3 (Assignments by way of security)) including any assets which have been reconverted into a floating charge under Clause 4.4 (Decrystallisation of floating charge).
- 3.4.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.4.1.

## **4 CRYSTALLISATION OF FLOATING CHARGE**

### **4.1 Crystallisation by notice**

- 4.1.1 Unless automatic crystallisation has already occurred under Clause 4.2 (Automatic crystallisation), the floating charge created by Clause 3.4 (Floating charge) may be crystallised into a fixed charge by the Company giving written notice to the Chargor in relation to any or all of the Floating Charge Assets, if:
  - (a) the Security Interests created by or pursuant to this Deed become enforceable in accordance with Clause 8 (Enforcement); or
  - (b) the Company considers (in its reasonable opinion), that crystallisation is required to protect the priority of the security created under this Deed.

- 4.1.2 If no Floating Charge Assets are specified in the notice referred to in Clause 4.1.1, the crystallisation shall take effect over all the Floating Charge Assets.

#### **4.2 Automatic crystallisation**

The floating charge created by Clause 3.4 (Floating charge) shall automatically and with immediate effect crystallise (without notice) into a fixed charge in relation to all the Floating Charge Assets upon the occurrence of any of the following:

- 4.2.1 the Chargor, without the Company's prior written consent, resolves to take or takes any step to create a Security Interest (other than Permitted Security) or trust over any Floating Asset Charge; or
- 4.2.2 any person resolves to take or takes any step to levy any distress, execution, sequestration or other process against any Floating Charge Asset; or
- 4.2.3 an application is presented to the court for the making of an administration order in relation to the Chargor; or
- 4.2.4 any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court.

#### **4.3 Assets acquired post-crystallisation**

Any assets acquired by the Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge or assigned under Clauses 3.1 (Legal mortgage), 3.2 (Fixed charges) or 3.3 (Assignments by way of security)) shall become subject to the floating charge created by Clause 3.4 (Floating charge) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

#### **4.4 Decrystallisation of floating charge**

Any charge that has crystallised under Clause 4.1 (Crystallisation by notice) or Clause 4.2 (Automatic crystallisation) may by notice in writing (given at any time by the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### **5 UNDERTAKINGS**

- 5.1 The undertakings in this Clause 5 (Undertakings) remain in effect throughout the Security Period.

#### **General**

- 5.2 The Chargor must:

- 5.2.1 ensure that it has all authorisations, consents and licences necessary to enable it to enter into, deliver and perform its obligations under this Deed and to enable it to conduct its business in its current form, in each case, where failure to do so has or is reasonably likely to have a material adverse effect on the interests of the Company under the Loan Note Documents; and
  - 5.2.2 comply with all laws and regulations applicable to it where failure to do so has or is reasonably likely to have a material adverse effect on the interests of the Company under the Loan Note Documents.
- 5.3 The Chargor must not create or permit to subsist any Security Interest over any of the Secured Assets other than any Security Interest created by or pursuant to any Permitted Security.

#### **Material Real Property**

##### **5.3.1 The Chargor must:**

- (a) keep all Material Real Property charged under this Deed in good and substantial repair and in good working order (except only for fair wear and tear) and renew and replace them when they become obsolete, worn out or destroyed;
- (b) punctually pay or cause to be paid and keep the Company indemnified against, all present and future rents, rates, taxes, levies, charges, duties, assessments, impositions and other outgoings assessed, charged or imposed upon or in respect of its Material Real Property and, when required, produce to the Company proof of such payment; and
- (c) insure and keep insured all its Material Real Property.

#### **Shares and Investments**

- 5.4 The Chargor must not exercise any voting or other rights in respect of the Secured Share Assets in any way that is likely to prejudice the value of the Secured Share Assets or otherwise jeopardise the Security Interests created, or purported to be created, by or pursuant to this Deed in respect of the Secured Share Assets.

#### **Insurance**

##### **5.5 The Chargor must:**

- 5.5.1 maintain such insurance on and in respect of its business and its assets as is customary for a prudent company carrying on the same or substantially similar business as the Chargor;
- 5.5.2 promptly, and in any event no later than their due date, pay all premiums required for keeping up the Insurance Policies

#### **Debts**

- 5.6 The Chargor must not, without the prior written consent of the Company, charge or factor or (save in the ordinary course of business) discount, assign, postpone, subordinate, release or waive its rights in respect of any of its Debts in favour of any other person or purport to do so.

## **6 SHARES: VOTING RIGHTS AND DIVIDENDS**

### **6.1 Before this Deed becomes enforceable**

Unless and until the Security Interests created by or pursuant to this Deed become enforceable:

- 6.1.1 all voting and other rights (including the right to receive dividends) attaching to any of the Secured Share Assets shall continue to be exercised by the Chargor; and
- 6.1.2 the Chargor shall be free to deal with all the dividends, distributions and interest and other money paid on the Secured Share Assets.

### **6.2 After this Deed becomes enforceable**

At any time after the Security Interests created by or pursuant to this Deed become enforceable:

- 6.2.1 the Company or its nominee may, in the name of the Chargor or otherwise and without any further consent or authority on the part of the Chargor, exercise any or all voting and other rights attaching to the Secured Share Assets and any rights attaching to the Secured Share Assets to nominate or remove a director as if the Company or its nominee were the sole beneficial owner of the Secured Share Assets;
- 6.2.2 all the Related Rights shall, if received by the Chargor or its nominee, be held on trust for, and shall be paid or transferred to, the Company or its nominee;
- 6.2.3 the Chargor must, and must procure that its nominees will, accept short notice for and attend any meeting of the holders of any of the Secured Share Assets, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Secured Share Assets as the Company or its nominee may direct from time to time; and
- 6.2.4 the Company or its nominee may:
  - (a) deal with the documents referred to in Clause 7.1 which relate to the Secured Share Assets and complete any transfers of any of the Secured Share Assets as if it was the absolute and unencumbered owner of such Secured Share Assets; and
  - (b) in exercising a power of sale, deliver the documents referred to in Clause 7.1 which relate to the relevant Secured Share Assets to a purchaser of any such Secured Share Assets.

## **7 PERFECTION OF SECURITY**

### **7.1 Title documents**

#### **7.1.1 Shares**

Each Chargor shall, on the date of this Debenture or on, or promptly after, the date on which any Shares in a company registered in England and Wales are issued or transferred to it after the date of this Debenture, deposit with the Company (or procure the deposit of):

- (a) all certificates or other documents of title to such Shares; and
- (b) stock transfer forms in such form as the Company shall require with the name of the transferee, the consideration and the date kept blank but otherwise duly completed and executed by or on behalf of the Chargor in relation to such Shares.

#### **7.1.2 Material Real Property**

The Chargor shall upon the execution of this Debenture, and within three Business Days following the acquisition by the Chargor of any interest in any Material Real Property, deliver (or procure delivery) to the Company of, and the Security Agent shall be entitled to hold and retain, all deeds, certificates and other documents of title relating to such property.

### **7.2 Document delivery and other steps to perfect security**

7.2.1 The Chargor must take (and shall use its reasonable endeavours to procure that necessary third parties also take) all such action as is available to it as may be reasonably be requested by the Company to create, perfect, protect or maintain any of the Security Interests created, or purported to be created, by or pursuant to this Deed or to vest title to any Secured Asset in the Company or its nominee or any purchaser, or to facilitate the realisation of any Secured Asset under this Deed or the exercise of any of the rights, powers and remedies of the Company provided by or pursuant to this Deed or by law, including:

- (a) if required by the Company, making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including Companies House, HM Land Registry and the Intellectual Property Office); and
- (b) if required by the Company, making an application to HM Land Registry for a restriction to be placed on the Proprietorship Register of the Chargor's Material Real Property so that no disposition of any such Material Real Property by the Chargor is to be registered without the prior written consent of the Company.



### **7.3 Notices of charge and/or assignment**

The Chargor must give notices of assignment or charge, as required by the Company, in relation to each Secured Asset which is subject to an assignment or charge pursuant to Clause 3.2 (Fixed charges) or Clause 3.3 (Assignments by way of security), to each of the relevant counterparties.

### **7.4 Further assurance**

The Chargor must, if reasonably requested by the Company, execute in favour of the Company (or as the Company directs) such further legal or other assignments or mortgages of, charges on or transfers of the Secured Assets as the Company requires to secure the payment and discharge of the Secured Obligations.

### **7.5 Real Property: future acquisitions**

If the Chargor acquires any Material Real Property after the date of this Deed, the Chargor must:

- 7.5.1 promptly notify the Company;
- 7.5.2 promptly following written request by the Company and at the cost of the Chargor, execute and deliver to the Company a legal mortgage in favour of the Company of that property in a form consistent with this Deed, which the Company may require;
- 7.5.3 give HM Land Registry written notice of the Security Interests created by this Deed and any mortgage;
- 7.5.4 if applicable, ensure that the Security Interests created by this Deed and any mortgage are correctly noted against the Charges Register against the title of the relevant freehold or leasehold property at HM Land Registry; and
- 7.5.5 attend to any other perfection of security requirements reasonably required by the Company.

## **8 ENFORCEMENT**

- 8.1 The Security Interests created by or pursuant to this Deed shall become immediately enforceable at any time after the occurrence of an Enforcement Event.
- 8.2 After the Security Interests created by or pursuant to this Deed have become enforceable, the Company may in its absolute discretion enforce all or any part of this Deed in any manner it sees fit.
- 8.3 Without limiting the generality of the foregoing, at any time after the Security Interests created by or pursuant to this Deed have become enforceable, the Company may appoint an administrator of the Chargor pursuant to Schedule B1 to the Insolvency Act 1986 (IA 1986).

## **9 RIGHT OF APPROPRIATION**

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003, SI 2003/3226 apply to a Secured Asset, the Company shall have the right to appropriate all or any part of that Secured Asset in or towards the payment or discharge of the Secured Obligations. For this purpose, a commercially reasonable method of valuing a Secured Asset shall be:

- 9.1 in the case of cash, the amount standing to the credit of the relevant Account, together with any accrued interest, at the time of appropriation; and
- 9.2 in the case of any other Secured Asset, its market value determined by the Company by reference to a public index, independent valuation or by such other process as the Company may select.

## **10 APPOINTMENT AND POWERS OF A RECEIVER**

### **10.1 At any time:**

10.1.1 after the Security Interests created by or pursuant to this Deed have become enforceable; or

10.1.2 if so requested by the Chargor,

the Company may appoint by writing any person to be a Receiver of all or any part of the Secured Assets.

10.2 Where more than one Receiver is appointed, they shall have power to act separately unless the Company in the appointment specifies to the contrary.

10.3 The Company may from time to time determine the remuneration of the Receiver.

10.4 The Company may, subject to section 45 of the Insolvency Act 1986, remove the Receiver from the assets of which it is Receiver.

10.5 The appointment of a Receiver shall not preclude:

10.5.1 the Company from making any subsequent appointment of a Receiver over all or any of the Secured Assets over which a Receiver has not previously been appointed or has ceased to act; or

10.5.2 a Receiver, while continuing to act, consenting to the appointment of an additional Receiver to act with it.

10.6 A Receiver shall be the agent of the Chargor and the Chargor shall be solely liable for the Receiver's acts, defaults and remuneration, unless and until the Chargor goes into liquidation, after which the Receiver shall act as principal and shall not become the agent of the Company.

10.7 A Receiver shall have and be entitled to exercise in relation to the Chargor all the powers set out in Schedule I to the Insolvency Act 1986, and in particular, by way of addition and without limiting such powers, and without prejudice to the powers of the Company, a Receiver shall have power either in its own name or in the name of the Chargor:

10.7.1 in connection with any sale or other disposition of the Secured Assets, to receive the consideration for the sale in a lump sum or in instalments and to receive shares by way of consideration;

10.7.2 to grant options, licences or any other interests in the Secured Assets;

10.7.3 to sever fixtures from, and to repair, improve and make any alterations to, the Secured Assets;

10.7.4 to exercise any voting rights belonging to the Chargor;

10.7.5 to do all other acts and things which it may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

10.7.6 to exercise in relation to any of the Secured Assets all the powers, authorities and things which it would be capable of exercising if it was the absolute beneficial owner of the Secured Asset.

10.8 Neither the Company nor any Receiver shall be liable:

10.8.1 for any loss, however caused, arising out of:

(a) any sale or other disposal of any of the Secured Assets and whether or not a better price could or might have been obtained by deferring or advancing the date of such sale or other disposal; or

(b) the exercise of or failure to exercise any of the Company's powers under this Deed; or

10.8.2 to account as mortgagee in possession for any of the Secured Assets.

10.9 Section 109 of the LPA 1925 shall not apply to this Deed.

## **11 POWER OF ATTORNEY**

11.1 The Chargor, by way of security, irrevocably appoints the Company (whether or not a Receiver has been appointed) and any Receiver separately, to be the attorney of the Chargor with full power to appoint substitutes and to delegate, for the Chargor in its name and on its behalf, and as its act and deed or otherwise, to execute, deliver and otherwise perfect any document, or perform any act:

11.1.1 that may be required of the Chargor under this Deed; or

- 11.1.2 that may be deemed by the attorney necessary or desirable for any purpose of this Deed (including, after the Security Interests created by or pursuant to this Deed have become enforceable, to transfer legal ownership of any of the Secured Assets).
- 11.2 The Company may only exercise the power of attorney granted by the Chargor pursuant to 11.1 above following:
- 11.2.1 the occurrence of an Enforcement Event; or
- 11.2.2 the failure by the Chargor to comply with any further assurance or perfection of security obligations required by the terms of this Deed within five Business Days of such further assurance or perfection of security obligation arising.
- 11.3 Without prejudice to the generality of Clause 11.1 (Power of attorney), the Chargor covenants with the Company and separately with any Receiver to ratify:
- 11.3.1 all transactions entered into by any attorney in the proper exercise of its powers in accordance with this Deed; and
- 11.3.2 all transactions entered into by any attorney in signing, sealing or delivering any deed, assurance or document, perfecting any Security Interest or performing any act, in each case in the proper exercise of its powers in accordance with this Deed.
- 12 OTHER POWERS EXERCISABLE BY THE COMPANY**
- 12.1 All powers of a Receiver conferred by this Deed may be exercised by the Company after the Security Interests created by or pursuant to this Deed have become enforceable, whether as attorney of the Chargor or otherwise, and whether or not a Receiver has been appointed.
- 12.2 The Company or any manager or officer of the Company is irrevocably empowered to receive all receivables and claims that may be assigned to the Company under this Deed, on payment to give an effectual discharge for them, on non-payment to take and institute if the Company in its sole discretion so decides all steps and proceedings either in the name of the Chargor or in the name of the Company for their recovery, and to agree accounts and to make allowances and to give time to any surety. The Chargor undertakes to ratify and confirm whatever the Company or any manager or officer of the Company shall do or purport to do under this Clause 12 (Other powers exercisable by the Company).
- 12.3 The Company shall not be obliged to:
- 12.3.1 make any enquiry as to the nature or sufficiency of any sums received by it in respect of any receivables or claims assigned to it under this Deed or pursuant to any of the Secured Assets;
- 12.3.2 make any claim or take any other action under this Deed; or
- 12.3.3 collect any money or enforce any of its other rights under this Deed.

- 12.4 The Company shall have no obligation under the Insurance Policies and shall have no liability in the event of failure by the Chargor to perform its obligations under the Insurance Policies.

### **13 POWERS OF SALE, LEASING, ACCEPTING SURRENDERS AND SEVERANCE**

#### **13.1 Statutory power of sale to arise on execution**

Section 103 of the LPA 1925 shall not apply to this Deed, but the statutory power of sale shall, as between the Company and a purchaser from the Company, arise on, and be exercisable at any time after, the execution of this Deed. However, the Company shall not exercise such power of sale until the Security Interests created by or pursuant to this Deed become enforceable, or a Receiver has been appointed, but this provision shall not affect a purchaser or require a purchaser to ask whether a demand or appointment has been made.

#### **13.2 Power of the Company to grant leases**

13.2.1 The statutory powers of sale, leasing and accepting surrenders exercisable by the Company by virtue of this Deed shall be extended so as to authorise the Company (whether in its own name or that of the Chargor) after the Security Interests created by or pursuant to this Deed have become enforceable, to grant leases of any of the Real Property on such terms and conditions as the Company shall think fit.

13.2.2 The Chargor must not exercise any of the powers of leasing or accepting surrenders of leases conferred by sections 99 and 100 of the LPA 1925 or by common law without the Company's prior written consent.

#### **13.3 Lender may sever fixtures**

The statutory power of sale exercisable by the Company is extended so as to authorise the Company to sever any fixtures from any Real Property and sell them separately.

### **14 PROTECTION OF THIRD PARTIES**

No person (including a purchaser) dealing with the Company or any Receiver or any of their respective nominees or agents, shall be concerned to enquire:

- 14.1 whether the Security Interests created by or pursuant to this Deed have become enforceable;
- 14.2 whether any Receiver is validly appointed or acting within its powers;
- 14.3 whether any power exercised or purported to be exercised has become exercisable;
- 14.4 whether any of the Secured Obligations remain due;
- 14.5 as to the necessity or expediency of any stipulations or conditions subject to which the sale of any Secured Asset is made, or otherwise as to the propriety or regularity of the sale of any Secured Asset; or

- 14.6 how any money paid to the Company or a Receiver, or their respective nominees or agents, is applied.

## **15 CONSOLIDATION OF MORTGAGES**

The restrictions on consolidation of mortgages contained in section 93 of the LPA 1925 shall not apply to this Deed.

## **16 APPLICATION OF MONEY RECEIVED BY THE COMPANY OR A RECEIVER**

### **16.1 Application of recoveries**

Any money received under this Deed shall, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- 16.1.1 in payment of the remuneration of the Receiver and the costs of realisation incurred by the Company and/or the Receiver including all costs, charges and expenses of or incidental to any exercise of any power conferred by this Deed;
- 16.1.2 in or towards the payment of any debts or other amounts which are by statute made payable in preference to the Secured Obligations, to the extent that such debts or other amounts are made so payable;
- 16.1.3 in or towards satisfaction of the Secured Obligations in such order as the Company determines, in its absolute discretion; and
- 16.1.4 as to the surplus, if any, to the Chargor or to any other person or persons entitled to it.

### **16.2 Credit to a suspense account**

The Company may, in its absolute discretion on or at any time or times after demand and pending the payment to the Company of the whole of the Secured Obligations, place and keep to the credit of an interest-bearing separate or suspense account any money received, recovered or realised by the Company under or in connection with this Deed for so long and in such manner as the Company may determine without any intermediate obligation on its part to apply the same or any part of such money in or towards the discharge of any of the Secured Obligations.

## **17 DEFAULT INTEREST**

If the Chargor fails to make any payment due under this Deed on its due date, interest on the unpaid amount shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment) at a rate of 4 % per annum over the Bank of England base rate from time to time) and the Chargor undertakes to pay any such interest to the Company immediately on demand by the Company.

## **18 COSTS, EXPENSES AND INDEMNITY**

The Chargor must, within three Business Days of demand by the Company, pay to the Company on a full indemnity basis all costs, losses and liabilities (including legal fees) together with VAT thereon incurred by or on behalf of the Company arising at any time as a result of or in connection with:

- 18.1 the occurrence of an Enforcement Event under Clause 8; or
- 18.2 the preservation and/or enforcement of any of the rights of the Company under this Deed.

## **19 PAYMENTS**

- 19.1 All sums payable by the Chargor under this Deed must be paid in Sterling in full without any set-off or counterclaim and in cleared funds no later than 11:00 am on the day in question to such account as the Company may have specified for this purpose.
- 19.2 Where the day on or by which any payment is to be made is not a Business Day, that payment must be made on or by the following Business Day.

## **20 CURRENCY INDEMNITY**

- 20.1 The Chargor must, as an independent obligation, indemnify the Company against any loss or liability which the Company incurs as a consequence of:
  - 20.1.1 the Company receiving an amount in respect of the Chargor's liability under this Deed; or
  - 20.1.2 that liability being converted into a claim, proof, judgment or order,  
  
in a currency other than Sterling.
- 20.2 Unless otherwise required by law, the Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency other than Sterling.

## **21 RETENTION AND SET-OFF**

- 21.1 Following an Enforcement Event, the Company may retain any money standing to the credit of any of the Chargor's bank accounts with the Company (in any currency) as cover for any of the Secured Obligations and/or may at any time, without notice to the Chargor, combine or consolidate all or any of such money with all or such part of the Secured Obligations as the Company may select, whether presently payable or not, and the Company may purchase with any such money any other currency required to effect such combination.
- 21.2 Following an Enforcement Event, the Chargor irrevocably authorises the Company in its name and at its expense to perform such acts and sign such documents as may be required to give effect to any set-off or transfer pursuant to Clause 21 (Retention and set-off), including the purchase with the money standing to the credit of any such bank account of such other currencies as may be necessary to effect such set-off or transfer.

- 21.3 This Clause 21 (Set-off) gives to the Company a contractual right of set-off only, and does not create any equitable charge or other Security Interest over any credit balance of the Chargor.

## **22 TRANSFERS**

### **22.1 Right of Lender to transfer**

The Company is entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Deed or any notice and/or acknowledgement referred to in Clause 7.3 (Notices of charge and/or assignment) to any party to whom it is permitted to transfer the Loan Notes pursuant to Schedule 3 of the Loan Note Instrument.

### **22.2 No right of Chargor to transfer**

The Chargor is not entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Deed.

### **22.3 Disclosure**

The Chargor irrevocably authorises the Company to disclose any information concerning the Chargor, this Deed or the Secured Obligations to:

22.3.1 any prospective assignee or transferee referred to in Clause 22.1 (Right of Lender to transfer) and any other person considered by the Company to be concerned in the prospective assignment or transfer; and

22.3.2 any person who, as part of the arrangements made in connection with any transaction referred to in Clause 22.1 (Right of Lender to transfer), requires such information after the transaction has been effected.

## **23 NOTICES**

- 23.1 All notices under this Deed must be in writing and sent by the sending Party to the company secretary of the receiving Party at its registered office address.

- 23.2 Notice may be delivered by hand or first class registered post and shall be deemed to have been served if by hand, at time of delivery and if by first class post, 48 hours after posting.

- 23.3 Fax and email are not acceptable methods of notice.

## **24 AMENDMENTS**

No amendment, waiver or variation of any of the terms of this Deed will be valid or effective unless made in writing and executed by or on behalf of the Parties.



## **25 REMEDIES AND WAIVERS**

- 25.1 No failure, delay or omission by the Company in exercising any right, power or remedy provided by law or under this Deed shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy.
- 25.2 No single or partial exercise of any right, power or remedy provided by law or under this Deed shall prevent any future exercise of it or the exercise of any other right, power or remedy.
- 25.3 The Company's rights, powers and remedies under this Deed are cumulative and they do not exclude any rights or remedies that arise by law.
- 25.4 Any release, waiver or discharge of the whole or any part of the Secured Obligations or any consent, approval or waiver given by the Company in relation to this Deed shall only be effective for that specific purpose and for the terms and conditions upon which it was granted.

## **26 CONTINUING AND ADDITIONAL SECURITY**

- 26.1 This Deed is a continuing security for the Secured Obligations in favour of the Company unless and until the Secured Obligations have been irrevocably and unconditionally discharged in full and shall extend to cover the ultimate balance due at any time from the Chargor to the Company, notwithstanding any intermediate payment or settlement of account or any other matter whatever.
- 26.2 The Security Interests constituted by this Deed are in addition to and do not prejudice, nor are they in any way prejudiced by, any other Security Interest (other than any Security Interest arising under or pursuant to any Permitted Security), guarantee or right of set-off, combination or other rights exercisable by the Company against the Chargor or any Security Interest, guarantee, indemnity and/or negotiable instrument now or in the future held by the Company.

## **27 OPENING OF NEW ACCOUNTS**

- 27.1 If the Company receives notice (whether actual or constructive) that the Chargor has created a Security Interest over any of the Secured Assets, the Company may rule off the Chargor's account or accounts and open one or more new accounts with the Chargor.
- 27.2 If the Company does not open any such new account or accounts, it shall nevertheless be treated as if it had done so at the time when it received such notice and from that time, all payments made by the Chargor to the Company shall be treated as having been credited to such new account or accounts and shall not operate to reduce the Secured Obligations.

**28 NO PREJUDICE**

28.1 The Security Interests created, or intended to be created, by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document.

28.2 The Company may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person who is not a Party without prejudicing, affecting or impairing the Security Interests created by or pursuant to it, or any of the powers, rights or remedies of the Company under this Deed or the exercise of any one of them or other obligation or liability of the Chargor to the Company.

**29 NO MERGER**

Nothing contained in this Deed shall operate so as to merge or otherwise prejudice, affect or exclude any other Security Interest which the Company may for the time being hold for the Secured Obligations or would have but for this Deed.

**30 EVIDENCE OF DEBT**

30.1 A copy of any entry in the Company's accounts shall in any legal proceedings arising out of or in connection with this Deed be prima facie evidence of the matters, transactions and accounts to which it relates.

30.2 A certificate by the Company as to any sum payable to it under this Deed shall, in the absence of manifest error, be conclusive evidence of the matters, transactions and accounts to which it relates.

**31 REDEMPTION OF SECURITY AND RELEASES**

Subject to and without prejudice to Clause 32 (Conditional discharge), on the irrevocable and unconditional payment and discharge in full of the Secured Obligations, the Company shall, at the request and cost of the Chargor:

31.1 take whatever action is necessary to release and cancel the Security Interests created by or pursuant to this Deed;

31.2 procure the reassignment to the Chargor of the property and assets assigned to the Company pursuant to this Deed; and

31.3 return all deeds, account mandates, signing authorities and other documents of title delivered to the Company under this Deed,

in each case without recourse to, or any representation or warranty by, the Company or any of its nominees.

**32 CONDITIONAL DISCHARGE**

32.1 Any release, settlement or discharge between the Company and the Chargor will be conditional upon no security, disposition or payment to the Company by the Chargor or any

other person in respect of the Secured Obligations being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation or for any reason whatsoever.

32.2 If any such release, settlement or discharge is so avoided, set aside, reduced or ordered to be refunded, the liability of the Chargor under this Deed shall continue or be reinstated and the Company shall be entitled to recover the value or amount of any such security, disposition or payment from the Chargor as if the release, settlement or discharge had not occurred.

32.3 Subject to Clauses 32.1 and 32.2, the Company shall be entitled to retain this Deed after as well as before payment of all the Secured Obligations for such period as the Company may determine.

### **33 SEVERABILITY**

34 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

### **35 EXECUTION AND COUNTERPARTS**

35.1 This Deed may be executed in any number of counterparts, each of which so executed will be an original, but together will constitute one and the same instrument.

35.2 Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Deed and all matters related to it, with such scanned and electronic signatures having the same legal effect as original signatures.

### **36 GOVERNING LAW AND JURISDICTION**

36.1 The validity, construction and performance of this Deed and any dispute or claim arising out of or in connection with this Deed or its subject matter or formation (including non-contractual disputes, claims and matters) shall be governed by the laws of England and Wales.


36.2 Subject to Clause 36.3, the Parties irrevocably agree, for the sole benefit of the Company, that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Deed, its subject matter or formation (including non-contractual disputes or claims).

36.3 Notwithstanding Clause 36.2, the Parties irrevocably agree that the Company shall have the right to take, and shall not be prevented from taking, proceedings against the Chargor to settle any dispute or claim arising out of, or in connection with, this Deed, its subject matter or formation (including non-contractual disputes or claims) in any other court of competent jurisdiction and that the Company may take such proceedings in any number of jurisdictions, whether concurrently or not, to the extent permitted by law.

THIS DEED has been executed and delivered as a deed and is intended to take effect as a deed by the Parties on the date written at the beginning of this Deed.

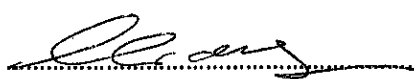
Executed as a Deed by

**AA CORPORATION LIMITED**

) 

acting by a director in the presence of:

Signature of witness:

) 

Name of witness:

) Olivia Crane

Address of witness:

) 90 Long Acre

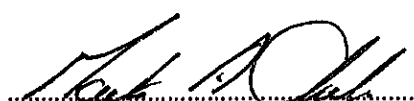
) London

Occupation:

) Lawyer

Executed as a Deed by

**AA MEDIA LIMITED**

) 

acting by a director in the presence of:

Signature of witness:

) 

Name of witness:

) Olivia Crane

Address of witness:

) 90 Long Acre

) London

Occupation:

) Lawyer

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