



**Registration of a Charge**

Company name: **Statesman Travel Group Limited**

Company number: **06258857**



X67983VS

Received for Electronic Filing: **26/05/2017**

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**Details of Charge**

Date of creation: **23/05/2017**

Charge code: **0625 8857 0002**

Persons entitled: **WELLS FARGO BANK NA**

Brief description:

**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: **DAVID VARNHAM**



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

Company number: 6258857

Charge code: 0625 8857 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd May 2017 and created by Statesman Travel Group Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th May 2017 .

Given at Companies House, Cardiff on 30th May 2017

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



**Companies House**



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

Execution Version

I hereby certify that this is a true and complete copy of the original document.	
Mills & Reeve LLP - Signed	
Solicitors	<i>Mills &amp; Reeve</i>
78-84 Colmore Row	Dated
Birmingham	<i>25-05-2017</i>
B3 2AB	

## SECURITY AGREEMENT

23 May 2017

STATESMAN TRAVEL GROUP LIMITED

with

WELLS FARGO BANK NA

MILLS & REEVE

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## Signatories

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THIS DEED is dated 23 May 2017 and made

**BETWEEN:**

- (1) **STATESMAN TRAVEL GROUP LIMITED** (a company registered in England and Wales with registration number 06258857) whose registered office is at Senator House, 85 Queen Victoria Street, London, EC4V 4AB (the Company);
- (2) **WELLS FARGO BANK NA** (the Bank).

**BACKGROUND:**

- (A) The Bank (acting through its London branch) and Travel and Transport UK Ltd (**T&T UK**) entered into the Facilities Agreement on 10 May 2017.
- (B) The Bank and T&T UK have or will enter into a Hedging Agreement on or around the date of the Facilities Agreement.
- (C) T&T UK acquired the entire issued share capital in the Company on 10 May 2017.
- (D) The Company enters into this Deed to provide security to the Bank in respect of the obligations and liabilities of itself and each other Obligor under the Facilities Agreement, the other Finance Documents and any Hedging Agreement.

**IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Terms defined in the Facilities Agreement shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

**Account Proceeds** means all amounts (including interest) from time to time standing to the credit of any bank or other account of the Company with any bank, building society, financial institution or other person and the debts represented thereby.

**Administrator** means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Company's affairs, business and property.

**Assigned Agreements** means any present or future agreement, contract, deed, lease, underlease, tenancy, licence, undertaking, guarantee or other contract to which the Company is now or may in the future become a party, including the agreements (if any) specified in Part 3 of Schedule 1 (Assigned Agreements)).

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

**Charged Assets** means the assets mortgaged, charged or assigned pursuant to Clauses 3 (Fixed Security) and 4.1 (Creation of Floating Charge) of this Deed.

**Dangerous Substance** means any natural or artificial substance (whether in a solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any such other substance)

capable of causing harm to the Environment or damaging the Environment or public health or welfare including any noxious, hazardous, toxic, dangerous, special or controlled waste or other polluting substance or matter.

**Debts** means all of the Company's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to the Company or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

**Enforcement Date** means the date an Event of Default occurs and is continuing under the Facilities Agreement.

**Environment** means the natural and man-made environment and all or any of the following media namely air (including air within buildings and air within other natural or man-made structures above or below ground), water (including water under or within land or in drains or sewers and inland waters), land and any living organisms (including humans) or systems supported by those media.

**Environmental Claim** means any claim alleging liability whether civil or criminal and whether actual or potential arising out of or resulting from the presence at, on or under the Real Property or presence in or escape or release into the environment of any Dangerous Substance from the Real Property or in circumstances attributable to the operation of the Company's activities or any breach of any applicable Environmental Law or any applicable Environmental Licence.

**Environmental Law** means all statutes, instruments, regulations, orders and ordinances (including European Union legislation, regulations, directives, decisions and judgements applicable to the United Kingdom) being in force from time to time and directly enforceable in the United Kingdom relating to pollution, prevention thereof or protection of human health or the conditions of the Environment or the use, disposal, generation, storage, transportation, treatment, dumping, release, deposit, burial, emission or disposal of any Dangerous Substance.

**Environmental Licence** means any permit, licence, authorisation, consent or other approval required by any Environmental Law or the Planning (Hazardous Substances) Act 1990.

**Environmental Losses** means all losses, damages, liabilities, claims, costs and expenses (including fines, penalties, judgments and awards, financial responsibility for clean-up activities and obligations, statutory or other official contributions, legal fees, technical consultancy, engineer's and expert's fees and costs and expenses) of obtaining or retaining consents or licences or otherwise complying with Environmental Law.

**Facilities Agreement** means the facilities agreement between T&T UK as the borrower and the Bank as lender dated on 10 May 2017.

**Insurance Policies** means all present and future contracts or policies of insurance in which the Company has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

**Insurance Proceeds** means all monies from time to time payable to the Company under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

**Intellectual Property Rights** means:

- (a) all of the property specified in Part 2 of Schedule 1 (Intellectual Property) (if any); and

- (b) all other patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, database rights, domain names, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests (which may now or in the future exist), whether registered or unregistered, and the benefit of all applications and the rights to use such assets (which may now or in the future exist) and all Related Property Rights.

**Investments** means all of the Company's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants and other securities of any kind whatsoever whether in bearer or registered form, and all other interests in any person and all Related Investment Rights whether the same are held directly by or to the order of the Company or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system (including Euroclear UK & Ireland Limited for the London Stock Exchange plc and the Central Gilt Office Service for transactions in gilt edged stocks and any nominees thereof) or custodian on behalf of the Company or whether the same have been delivered to or to the order of the Bank or its nominee including all Related Investment Rights, all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of the Company.

**LPA** means the Law of Property Act 1925.

**Occupational Lease** means any occupational lease or licence or other right of occupation to which the Real Property may be subject from time to time.

**Planning Acts** means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008 and any other enactment for the time being in force relating to the use, development and enjoyment of land and buildings (including section 96 of, and Schedules 13 and 14 to, the Environment Act 1995).

**Real Property** means:

- (a) all of the freehold and/or leasehold property of the Company specified in Part 1 of Schedule 1 (Real Property);
- (b) all freehold and leasehold property or immovable property of the Company situate in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b) above; and
- (d) the Related Property Rights.

**Receiver** means any person appointed by the Bank to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

**Related Investment Rights** means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Investments.



**Related Property Rights** means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

**Release** means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of any Substance into the Environment.

**Secured Documents** means the Finance Documents and any Hedging Agreement.

**Secured Liabilities** means all monies, obligations and liabilities covenanted to be paid or discharged pursuant to Clause 2 (Covenants to Pay).

**Security Period** means the period from the date of this Deed until the date on which the Bank has determined that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

**Shares** means:

- (a) the shares specified in Part 4 of Schedule 1 (if any);
- (b) all shares in the capital of any company specified in Part 4 of Schedule 1 (if any) acquired by the Company from time to time after the date of this Deed; and
- (c) all Related Investment Rights and all Related Property Rights in respect thereof.

**Substance** means any solid, liquid, gas, noise and any other substance or thing which causes or is likely to cause harm to the Environment or harm to human health.

**VAT** means United Kingdom Value Added Tax together with all interest and penalties relating thereto.

## **1.2 Interpretation**

- (a) Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.
- (b) Unless a contrary indication appears, any reference in this Deed to:
  - (i) the singular includes the plural and vice versa;
  - (ii) the **Bank** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (iii) **assets** includes present and future properties, revenues and rights of every description;

- (iv) the term **disposal** shall include any form of disposal of any interest in any asset including any conveyance, transfer, lease, assignment, sale, right to use or occupy, surrender, declaration of trust or the creation of any other form of legal or equitable interest in or over any asset or any option in respect of any of the foregoing;
  - (v) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (vi) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (vii) a provision of law is a reference to that provision as amended or re-enacted;
  - (viii) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
  - (ix) this Deed shall be construed as references also to any separate or independent stipulation or agreement contained in it;
  - (x) another agreement (including any Secured Document) shall be construed as a reference to such agreement as the same may have been modified, extended, amended, varied or supplemented or novated from time to time;
  - (xi) references to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset); and
  - (xii) the word **including** is without limitation.
- (c) Clause and Schedule headings are for ease of reference only.
  - (d) The words **other**, or **otherwise** and **whatsoever** shall not be construed *eiusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.

### 1.3 Third Party Rights

The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

### 1.4 Implied Covenants for Title

The obligations of the Company under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

### 1.5 Effect as a deed

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

### 1.6 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act

1989, the terms of the other Secured Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

## **2. COVENANT TO PAY**

The Company covenants that it shall on demand pay to the Bank all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it or any other Obligor to the Bank under or pursuant to the Secured Documents in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; denominated in sterling or any other currency.

## **3. FIXED SECURITY**

### **3.1 Creation of Fixed Security**

The Company charges to the Bank by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in the Company at the date of this Deed shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in any and each of the following:

- (a) the Real Property;
- (b) all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- (c) (to the extent that the same are not the subject of a fixed charge under Clause 3.1(d)) all Debts;
- (d) all Account Proceeds;
- (e) all of its Investments;
- (f) the Shares;
- (g) all of its Intellectual Property Rights;
- (h) all goodwill and uncalled capital;
- (i) (to the extent not effectively assigned under Clause 3.2 (Assignments)), the Insurance Policies and the Insurance Proceeds; and
- (j) (to the extent not effectively assigned under Clause 3.2 (Assignments)), the Assigned Agreements and all Related Property Rights.

### **3.2 Assignments**

The Company assigns to the Bank with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in:

- (a) the Insurance Policies (subject to obtaining any necessary consent to such assignment from any third party) and the Insurance Proceeds; and

- (b) the Assigned Agreements and all Related Property Rights.

### 3.3 Preservation of fixed charge

Without prejudice to Clause 3.1(c) (Creation of Fixed Security) and Clause 3.2 (Assignments), the Company is entitled to withdraw the proceeds of any book and other debts standing to the credit of any bank account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1(d) (Creation of Fixed Security) and 3.2 (Assignments), the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of the Company and the proceeds of those debts.

## 4. FLOATING CHARGE

### 4.1 Creation of Floating Charge

- (a) The Company charges to the Bank by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (Creation of Fixed Security) or 3.2 (Assignments).
- (b) The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (c) Without prejudice to Clause 4.1(b), the Bank reserves its rights to appoint an administrative receiver on and following the Enforcement Date in accordance with sections 72B to H (inclusive) of the Insolvency Act 1986.

### 4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

- (a) the Company creates or attempts to create any Security (other than a Permitted Security) over all or any of the Charged Assets without the prior consent of the Bank or save as expressly permitted under the Facilities Agreement; or
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or
- (c) a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of the Company; or
- (d) an Administrator is appointed or any step intended to result in such appointment is taken,

then the floating charge created by Clause 4.1 (Creation of Floating Charge) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

### 4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in this Deed, the Bank may at any time:

- (a) on or after the Enforcement Date; or

- (b) if the Bank considers that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Bank believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding-up of the Company,

by giving notice in writing to that effect to the Company convert the floating charge created by Clause 4.1 (Creation of Floating Charge) into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

## **5. FURTHER ASSURANCE**

- (a) The Company must promptly upon request by the Bank execute (in such form as the Bank may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Bank or its nominees and do all such assurances and things as the Bank may reasonably require for:
  - (i) perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;
  - (ii) conferring upon the Bank such security as it may require over the assets of the Company outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;
  - (iii) facilitating, at any time on or after the occurrence of the Enforcement Date, the realisation of all or any part of the assets of the Company; and
  - (iv) exercising all powers, authorities and discretions conferred on the Bank or any Receiver pursuant to this Deed or by law.
- (b) The Company shall, at any time, promptly upon request, execute over all or any of the Charged Assets, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Bank in such form as the Bank shall require.
- (c) The Company shall take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Deed including the obtaining of any necessary consent (in form and content satisfactory to the Bank) to enable its assets to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned shall become subject to the security created by this Deed. The Company shall promptly deliver a copy of each such consent to the Bank.

## **6. GENERAL UNDERTAKINGS**

### **6.1 Negative Pledge**

The Company undertakes to the Bank with respect to the Charged Assets that it shall not, except as expressly permitted by the Facilities Agreement, create or attempt to create or permit to subsist or arise any Security (other than a Permitted Security) on, over or affecting the Charged Assets or any part of them.

### **6.2 Disposals**

The Company undertakes to the Bank with respect to the Charged Assets that it shall not dispose of the Charged Assets or any part of them or agree so to do except in the case of disposals which are permitted by the Facilities Agreement.

### **6.3 Deposit of Title Documents**

The Company undertakes to the Bank with respect to the Charged Assets that it shall deposit with the Bank or its nominee the deeds and documents of title relating to the Charged Assets.

### **6.4 Prejudicial Action**

The Company undertakes to the Bank with respect to the Charged Assets that it shall not do or cause or permit to be done anything which may in any way reduce, jeopardise or otherwise prejudice the value to the Bank of the Charged Assets.

### **6.5 Notices of Charge and/or Assignment**

- (a) The Company shall deliver to the Bank and serve on any debtor or other person as required by the Bank:
  - (i) notices of assignment in respect of any of the Insurance Policies and the Assigned Agreements assigned pursuant to this Deed and shall use its reasonable endeavours to procure that each notice is acknowledged by any debtor specified by the Bank; and
  - (ii) notices of charge in respect of any of the accounts charged pursuant to this Deed and shall use its reasonable endeavours to procure that each notice is acknowledged by any debtor specified by the Bank.
- (b) The notices of charge and/or assignment and/or acknowledgement referred to in Clause 6.5(a) shall be in a form substantially similar to those contained in Schedule 2 (Form of Notice) or such other form as the Bank may require.

### **6.6 Intellectual Property Rights**

The Company shall, if requested by the Bank, execute all such documents and do all such acts as the Bank may reasonably require to record the interests of the Bank in any registers relating to registered Intellectual Property Rights.

## **7. UNDERTAKINGS - REAL PROPERTY**

### **7.1 Positive Undertakings**

In relation to Real Property, the Company agrees that it shall:

- (a) comply with all obligations imposed under any present or future statute, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or planning permissions or other approvals, licences or consents relating to the same or its use or enjoyment;
- (b) comply or procure compliance with all covenants (including the obligation to pay rent in respect of leasehold property), stipulations and conditions relating to the same or its use or enjoyment and not do any act or thing whereby any lease or other document which gives any right to occupy the Real Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its originally stated term (as extended from time to time);
- (c) duly and punctually pay or procure payment of all rates, outgoings and other similar sums payable on or in respect of the same; and

- (d) permit representatives of the Bank and its advisers on prior appointment to make inspections of the Real Property as the Bank may require, subject to the terms of any relevant Occupational Lease.

## 7.2 Negative Undertakings

In relation to Real Property, the Company agrees that, unless it has the prior written consent of the Bank (or the same is otherwise expressly permitted in accordance with the Facilities Agreement), it shall not:

- (a) exercise the statutory power of leasing and/or accepting surrenders of leases conferred on mortgagors and further agrees that the Bank may grant or accept surrenders of leases without restriction;
- (b) part with the possession of the same or any part thereof (including any fixtures forming part of the Real Property) nor confer upon any person, any licence, right or interest to occupy the Real Property or any part of it or to grant any licence or permission to assign or underlet or to suffer or permit any variation or addition to any Occupational Lease nor waive or release any term of any such Occupational Lease;
- (c) carry out or permit to be carried out any structural alterations to or to demolish, pull down or remove any building or erection from time to time forming part of the same or make or suffer to be made any change in the state, nature or use of the same;
- (d) (save for any development permitted under the Town and Country Planning (General Permitted Development) Order 1995) carry out any development (as defined in the Planning Acts) on or of the Real Property;
- (e) make any application for planning permission or implement any planning permission obtained under any of the Planning Acts;
- (f) agree to any rent review in respect of any Occupational Lease;
- (g) commence any forfeiture proceedings in respect of any Occupational Lease;
- (h) exercise any option or right of election available at law that the supplies made in respect of any lease or tenancy of the same shall be taxable for VAT purposes at the standard or any other applicable rate (other than zero), including pursuant to paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 or (where applicable) carry out or permit to be carried out any action which will or may cause any option or right of election that the supplies made in respect of any lease or tenancy of the same shall be taxable for VAT purposes at the standard or any other applicable rate which has already been exercised, to be dis-applied;
- (i) enter into any negotiations with any competent authority with regard to the compulsory acquisition of the same or consent to the compulsory acquisition of the same; or
- (j) convert any freehold estate of any Real Property to a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002.

### 7.3 Registration and Notifications

The Company shall:

- (a) without prejudice to clause 22.15 (Disposals) of the Facilities Agreement, immediately notify the Bank of any contract, conveyance, transfer or other disposition for the acquisition by the Company of the legal or beneficial interest in any Real Property; and
- (b) make an application to the Chief Land Registrar on Form RX1 for the registration against the registered titles (if any) specified in Part 1 of Schedule 1 (Real Property) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the following restriction:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [chargee] referred to in the charges register."

### 7.4 Remedy

Without prejudice to the rights of the Bank under the Secured Documents, if the Company fails to comply with any undertaking or obligation contained in this Clause 7, the Bank shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The Company shall reimburse to the Bank on demand all amounts expended by the Bank in remedying such failure.

## 8. UNDERTAKINGS - ENVIRONMENTAL

### 8.1 Undertakings

The Company agrees in relation to the Charged Assets that it shall:

- (a) obtain, maintain and comply with all necessary Environmental Licences and comply with all Environmental Law;
- (b) ensure that all occupiers of the Real Property carry on their activities in a prudent manner and keep them secure so as not to cause or knowingly permit harm or damage to the Environment or the risk thereof;
- (c) notify the Bank forthwith in writing of any Release;
- (d) forthwith take all steps necessary to remedy any infringement of Environmental Law;
- (e) promptly notify the Bank in writing of the receipt of any notice or other communication in respect of any breach or alleged breach of Environmental Law arising out of the ownership or occupation of the same or any investigation, enquiry, proceedings, arbitration, order, decree or judgment commenced or made in relation to any Environmental Law; and
- (f) provide the Bank with such information regarding any investigation, litigation, arbitration or administrative proceedings as the Bank may require and consult with the Bank on a regular basis as to the conduct of any investigation, litigation, arbitration or administrative proceedings in relation to a breach of any Environmental Law and obtain the prior written consent of the Bank to any settlement thereof.



## 8.2 Indemnity

The Company agrees that it shall immediately on demand indemnify and reimburse the Bank in respect of any and all Environmental Losses that are paid, incurred, suffered or sustained by Bank which would not have arisen if the Secured Documents had not been entered into.

## 8.3 Remedy

Without prejudice to the rights of the Bank under the Secured Documents, if the Company fails to comply with any undertaking or obligation contained in this Clause 8, the Bank shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The Company shall reimburse to the Bank on demand all amounts expended by the Bank in remedying such failure.

## 9. UNDERTAKINGS - INSURANCE

### 9.1 Insurance Obligations

The Company shall at all times during the Security Period:

- (a) keep all of the Charged Assets of an insurable nature, or procure that the Charged Assets of an insurable nature are kept, insured in accordance with the terms of the Facilities Agreement;
- (b) without prejudice to Clause 9.1(a) maintain any other insurance policies as are normally maintained by prudent companies carrying on business similar to that of the Company;
- (c) cause each Insurance Policy relating to the Charged Assets to be for an amount and in a form reasonably acceptable to the Bank, to be with an insurance company or underwriters acceptable to the Bank and to contain in a form and substance reasonably acceptable to the Bank:
  - (i) an endorsement noting the interests of the Bank in respect of all claims until such time as the Bank notifies the relevant insurer to the contrary;
  - (ii) a standard mortgagee clause whereby such insurance shall not be vitiated or avoided as against the Bank in the event or as a result of any misrepresentation, act or neglect or failure to make disclosure on the part of any insured party or any circumstances beyond the control of an insured party; and
  - (iii) terms providing that it shall not be invalidated so far as the Bank is concerned for failure to pay any premium due without the insurer first giving to the Bank not less than 14 days prior written notice;
- (d) if required by the Bank (but subject to the provisions to the contrary in any Occupational Lease), deposit all Insurance Policies relating to Charged Assets (or if contrary to any Occupational Lease to do so, certified copies thereof) with the Bank;
- (e) duly and promptly pay the premiums and other monies necessary for effecting and keeping up such insurances and promptly provide to the Bank evidence of such payment and comply in all respects with the terms and conditions of the Insurance Policies;
- (f) procure that there be given to the Bank such information in connection with the Insurance Policies as the Bank may reasonably require and will notify the Bank of renewals made and

material variations or cancellations of such policies made or, to the knowledge of the Company, threatened or pending; and

- (g) not permit anything to be done which may make void or voidable any of the Insurance Policies.

## **9.2 Remedy**

If the Company fails to comply with its obligations under Clause 9.1 (Insurance Obligations) then the Bank shall be entitled to insure the Charged Assets, at the expense of the Company, on such terms, against such risks and in such amounts as the Bank sees fit and the amount of any expenditure incurred by the Bank in so doing shall be added to the Secured Liabilities. The Company shall reimburse to the Bank on demand all amounts expended by it in remedying such failure.

## **10. UNDERTAKINGS - INVESTMENTS AND SHARES**

### **10.1 Deposit of Title Documents**

The Company shall deposit with the Bank or its nominee:

- (a) stock transfer forms or other instruments of transfer relating to the Investments and the Shares duly completed to the Bank's satisfaction; and
- (b) such other documents as the Bank may require from time to time for the purpose of perfecting its title to the Investments or the Shares or for the purpose of vesting the same in itself, its nominee or any purchaser or presenting the same for registration at any time.

### **10.2 Registration of transfers**

If required by the Bank, the Company shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Bank or its nominee once a transfer relating to those Investments and Shares is presented for that purpose.

### **10.3 Clearance Systems etc**

The Company shall, when requested by the Bank, instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for the account of the Company to the account of the Bank (or its nominee) with such clearance system (or as otherwise required by the Bank).

### **10.4 Calls**

The Company:

- (a) shall not, without the consent in writing of the Bank, acquire any Investments or Shares unless they are fully paid; and
- (b) shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments or Shares and, for the avoidance of doubt, the Bank shall not incur any liability in respect of any amounts due from the Company in respect of any Investments or Shares.

#### **10.5 Dividends**

The Bank (or its nominee) shall hold all dividends or other monies received by it in respect of the Investments and the Shares for the account of the Company and, prior to the occurrence of the Enforcement Date, shall pay the same to an account of the Company as soon as practicable following receipt of a written request to do so.

#### **10.6 Voting Rights and Other Matters**

- (a) Prior to the occurrence of the Enforcement Date and save as otherwise provided in this Clause 10.6, the Company shall exercise (or direct the Bank to exercise on its behalf) all voting rights in respect of the Investments and the Shares provided that the Company shall not exercise (or direct the exercise of) any voting rights in any manner which, in the reasonable opinion of the Bank, may prejudice the value of, or the ability of the Bank to realise, the security over the Investments and the Shares created pursuant to this Deed.
- (b) The Company shall not, without the prior written consent of the Bank, permit or agree to any variation of the rights attaching to or conferred by any of the Investments or the Shares, participate in any rights issue, elect to receive or vote in favour of receiving any dividends or other distributions other than in the form of cash (or as permitted pursuant to the Facilities Agreement) or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895 - 901 of the Companies Act 2006.
- (c) At any time on or after the occurrence of the Enforcement Date, the Bank may in such manner and on such terms as it sees fit (in the name of the Company or otherwise and without the need for further consent from the Company):
  - (i) exercise (or refrain from exercising) any voting rights in respect of the Investments and the Shares; and/or
  - (ii) apply all dividends and other monies arising from the Investments and the Shares in accordance with Clause 20 (Application of Monies Received under this Deed); and/or
  - (iii) without prejudice to any other provision of this Deed, transfer the Investments and the Shares into the name of a nominee or transferee of the Bank as the Bank may require; and/or
  - (iv) exercise (or refrain from exercising) all or any of the powers and rights conferred upon or exercisable by the legal or beneficial owner of the Investments and the Shares.

#### **10.7 Liability of Bank**

The Company agrees with the Bank that neither the Bank nor any nominee will have any liability for:

- (a) failing to present any coupon or other document relating to any of the Investments or the Shares;
- (b) accepting or failing to accept any offer relating to any of the Investments or the Shares;
- (c) failing to attend or vote at any meetings relating to any of the Investments or the Shares;
- (d) failing to notify the Company of any matters referred to in this Clause 10.7 or of any communication received in relation to any of the Investments or the Shares; or

- (e) any loss arising out of or in connection with the exercise or non-exercise of any rights or powers attaching or accruing to the Investments or the Shares or which may be exercised by the Bank or any nominee of the Bank under this Deed (whether or not on sale or other realisation of the Investments or the Shares a better price could have or might have been obtained by either deferring or advancing the date of sale or realisation or otherwise).

#### **10.8 Nominees**

The Company represents and warrants that it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.

#### **10.9 Register of members**

The Company shall procure that, during the Security Period, no company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

### **11. UNDERTAKINGS - CHARGE OVER BOOK AND OTHER DEBTS**

#### **11.1 Value of Debts**

The Company undertakes to provide to the Bank promptly upon its reasonable request (and in a form reasonably acceptable to the Bank) a certificate showing the aggregate value of the Debts due to the Company from any source.

#### **11.2 Realisation of Debts**

During the Security Period, the Company undertakes with reference to the Debts:

- (a) to collect the Debts in the ordinary course of its business and (prior to the payment into the account specified in Clause 11.2(c)) and on and after the occurrence of the Enforcement Date to hold the proceeds of those Debts on trust for the Bank;
- (b) after the occurrence of the Enforcement Date not, without the prior consent in writing of the Bank, to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so;
- (c) after the occurrence of the Enforcement Date to pay into an account of the Company with the Bank otherwise as the Bank may direct all monies which the Company may receive in respect of the Debts;
- (d) save to the extent that the Bank otherwise agrees in writing after the occurrence of the Enforcement Date not to withdraw any amounts (whether in the nature of principal or interest) standing to the credit of the account referred to in Clause 11.2(c).

#### **11.3 Debts: Position after Enforcement Date**

After the occurrence of the Enforcement Date the Company shall not, except with the consent of the Bank, withdraw or otherwise transfer the proceeds of realisation of any Debts standing to the credit of any account.

## **12. UNDERTAKINGS - ACCOUNT PROCEEDS**

### **12.1 Account Proceeds: Position before Enforcement Date**

Before the occurrence of the Enforcement Date the Company shall be entitled to withdraw any credit amount referred to in the definition of Account Proceeds from any relevant account.

### **12.2 Account Proceeds: Position after the Enforcement Date**

After the occurrence of the Enforcement Date the Company shall not be entitled to be paid, withdraw or otherwise transfer any credit amount referred to in Clause 12.1 (Account Proceeds: Position before Enforcement Date) except with the prior written consent of the Bank.

## **13. UNDERTAKINGS - INTELLECTUAL PROPERTY RIGHTS**

The Company shall:

- (a) take all necessary action to safeguard and maintain its rights, present and future, in or relating to Intellectual Property Rights (including the payment of all renewal fees and all steps which are necessary or desirable to maintain any applicable registrations with any appropriate registry or other government authority or body);
- (b) keep the Bank fully informed as to the registration or requirement to renew the registration of any Intellectual Property Rights;
- (c) not use or refrain from using its Intellectual Property Rights in a way which may adversely affect the value of those Intellectual Property Rights; and
- (d) notify the Bank promptly of any infringement or suspected infringement or any challenge to the validity of its Intellectual Property Rights and take all steps necessary to prevent or bring an end to any such infringement and to defend any such challenge.

## **14. RIGHTS OF THE BANK**

### **14.1 Enforcement**

At any time on or after the occurrence of the Enforcement Date, the security created pursuant to this Deed shall be immediately enforceable and the Bank may in its absolute discretion and without notice to the Company or the prior authorisation of any court:

- (a) enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and
- (b) whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
  - (i) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
  - (ii) granted to a Receiver by this Deed or from time to time by law.

#### **14.2 Restrictions on Consolidation of Mortgages**

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Bank shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Bank at any time on or after the occurrence of the Enforcement Date. The Company hereby consents to the Bank making an application to the Chief Land Registrar on Form CC for registration against the registered titles (if any) specified in Part 1 of Schedule 1 (Real Property) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the right to consolidate.

#### **14.3 Restrictions on Exercise of Power of Sale**

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Bank at any time on or after the occurrence of the Enforcement Date.

#### **14.4 Leasing Powers**

The restrictions contained in sections 99 to 100 of the LPA shall not apply to restrict the rights of the Bank or any Receiver under this Deed. The statutory powers of leasing may be exercised by the Bank upon and following the occurrence of the Enforcement Date and the Bank and any Receiver may make any lease or agreement for lease and/or accept any surrenders of leases and/or grant options on such terms as it sees fit without the need to comply with the aforementioned restrictions.

#### **14.5 No Prior Notice Needed**

The powers of the Bank set out in Clauses 14.2 (Restrictions on Consolidation of Mortgages) to 14.4 (Leasing Powers) may be exercised by the Bank without prior notice to the Company.

#### **14.6 Right of Appropriation**

- (a) Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed and the obligations of the Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003/3226) (the Regulations)), the Bank shall have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any such Charged Assets so appropriated shall be the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Bank by reference to such method or source of valuation as the Bank may select, including by independent valuation. The parties agree that the methods or sources of valuation provided for in this Clause or selected by the Bank in accordance with this Clause shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.
- (b) The Bank shall notify the Company as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

## **15. EXONERATION**

### **15.1 Exoneration**

The Bank shall not, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Bank under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Bank shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

### **15.2 Indemnity**

The Bank and every Receiver, attorney, delegate, manager, agent or other person appointed by the Bank hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Bank and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

## **16. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **16.1 Appointment**

- (a) At any time on or after the occurrence of the Enforcement Date, or at the request of the Company or its directors, the Bank may, without prior notice to the Company, in writing (under seal, by deed or otherwise under hand) appoint:
  - (i) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead; or
  - (ii) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (b) Nothing in Clause 16.1(a) shall restrict the exercise by the Bank of any one or more of the rights of the Bank under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.

### **16.2 More than one Receiver**

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Bank may specify to the contrary in the appointment.

### **16.3 Receiver as agent**

A Receiver shall be the agent of the Company which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of the Bank.

#### **16.4 Receiver's Remuneration**

A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Bank from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

#### **16.5 Actions of the Administrator**

Save as provided for in statute or as otherwise agreed in writing by the Bank, the Bank shall have no liability for the acts or omissions of an Administrator.

### **17. RECEIVER'S POWERS**

#### **17.1 Powers**

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- (a) all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- (c) all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Company itself could do or omit to do;
- (d) the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Company; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Company (whether under hand, or by way of deed or by utilisation of the company seal of the Company)).

#### **17.2 Powers may be Restricted**

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Bank) appointing him but they shall not be restricted by any winding-up or dissolution of the Company.

### **18. PROTECTION OF PURCHASERS**

#### **18.1 Absence of Enquiry**

No person or persons dealing with the Bank or any Receiver appointed by it shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Bank or any such Receiver.



## **18.2 Receipt: Conclusive Discharge**

The receipt of the Bank or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

## **19. POWER OF ATTORNEY AND DELEGATION**

### **19.1 Power of Attorney: General**

- (a) The Company hereby irrevocably and by way of security appoints the Bank and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed to execute and deliver any documents or instruments which the Bank or such Receiver may require for perfecting the title of the Bank to the Charged Assets or for vesting the same in the Bank, its nominee or any purchaser.
- (b) After the occurrence of the Enforcement Date, the Company irrevocably and by way of security appoints the Bank and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:
  - (i) to sign, execute, seal and deliver and otherwise perfect any further security document which the Company is required to enter into pursuant to this Deed;
  - (ii) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Bank or any Receiver under this Deed or which the Company is required to do pursuant to this Deed or which may be deemed expedient by the Bank or a Receiver in connection with any preservation, disposition, realisation or getting in by the Bank or such Receiver of the Charged Assets or in connection with any other exercise of any other power under this Deed.

### **19.2 Power of Attorney: Ratification**

The Company ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 19 (Power of Attorney and Delegation) does or purports to do in exercise of the powers granted by this Clause.

### **19.3 General Delegation**

The Bank and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

## **20. APPLICATION OF MONIES RECEIVED UNDER THIS DEED**

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A Insolvency Act 1986, be applied for the following purposes and in the following order of priority:

- (a) in satisfaction of all costs, charges and expenses and payments (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Bank or the Receiver and of remuneration to the Receiver in such order as the Bank shall in its absolute discretion decide;

- (b) in or towards satisfaction of the Secured Liabilities which shall be applied in such order as the Bank shall in its absolute discretion decide; and
- (c) the surplus, if any, shall be paid to the Company or other person or persons entitled to it,

save that the Bank may credit any monies received under this Deed to a suspense account for so long and in such manner as the Bank may from time to time determine and the Receiver may retain the same for such period as he and the Bank consider appropriate.

## **21. RELEASE OF SECURITY**

### **21.1 Release**

At the end of the Security Period, the Bank shall, at the request and cost of the Company, execute or procure the execution by its nominee (in each case in a form acceptable to the Bank) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

### **21.2 Avoidance of Payments**

- (a) No amount paid, repaid or credited to the Bank shall be deemed to have been irrevocably paid if the Bank considers that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.
- (b) If any amount paid, repaid or credited to the Bank is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between the Bank and the Company shall be deemed not to have occurred and the Bank shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

## **22. AMOUNTS PAYABLE**

### **22.1 No Deduction**

All payments to be made by the Company under this Deed shall be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future. If the Company is compelled by the law of any applicable jurisdiction (or by an order of any regulatory authority in such jurisdiction) to withhold or deduct any sums in respect of taxes, duties, levies, imposts or charges from any amount payable to the Bank under this Deed or, if any such withholding or deduction is made in respect of any recovery under this Deed, the Company shall pay such additional amount so as to ensure that the net amount received by the Bank shall equal the full amount due to it under the provisions of this Deed had no such withholding or deduction been made.

### **22.2 Currency of Payment**

The obligation of the Company under this Deed to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by the Bank of the full amount of the currency expressed to be payable under this Deed.

### **22.3 Currency Indemnity**

If any sum due from the Company under this Deed (a **Sum**), or any order, judgment or award given or made in relation to a **Sum**, has to be converted from the currency (the **First Currency**) in which that **Sum** is payable into another currency (the **Second Currency**) for the purpose of:

- (a) making or filing a claim or proof against the Company;
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
- (c) applying the **Sum** in satisfaction of any of the Secured Liabilities,

the Company shall, as an independent obligation, within three Business Days of demand, indemnify the Bank against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that **Sum** from the **First Currency** into the **Second Currency** and (B) the rate or rates of exchange available to the Bank at the time of its receipt of that **Sum**.

### **23. POWER OF SEVERANCE**

In the exercise of the powers conferred by this Deed, the Bank or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Bank or any Receiver may apportion any rent or other amount without the consent of the Company.

### **24. REPRESENTATIONS AND WARRANTIES**

The Company makes the representations and warranties set out in this Clause 24 to the Bank.

#### **24.1 Status of Assets and Security**

It is the legal and beneficial owner of the Charged Assets free from Security (other than this Deed and the Permitted Security) and subject to the Legal Reservations this Deed confers the security it purports to confer over the Charged Assets and the security created under or pursuant to this Deed is not subject to any prior or pari passu Security (other than the Permitted Security) and subject to the Legal Reservations is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

#### **24.2 Title to Assets**

The Company is the legal and beneficial owner of the Real Property with the right to transfer with full title guarantee all or any part of the Real Property and has good marketable title to all assets over which Security is, or is expressed to be created pursuant to this Deed.

#### **24.3 Real Property**

Save as disclosed in any report on title which has been delivered to the Bank in a form acceptable to it:

- (a) there subsists no breach of any law or regulation which adversely affects or might adversely affect the value of the Real Property;
- (b) there are no covenants, restrictions, agreements, stipulations, reservations, conditions, interests, rights or other matters whatsoever which adversely affect the Real Property;

- (c) nothing has arisen or has been created or is subsisting which would be an overriding interest over the Real Property;
- (d) no facility necessary for the enjoyment and use of the Real Property is enjoyed on terms entitling any person to terminate or curtail its use;
- (e) the Company has received no notice of any adverse claim by any person in respect of the ownership of the Real Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Real Property; and
- (f) the Real Property is free from any Security or any tenancies or licence save as permitted by the Facilities Agreement, this Deed or as otherwise permitted in writing by the Bank.

#### **24.4 Insurance**

It has disclosed to the insurers of the Real Property all facts, circumstances and occurrences relevant to the risks insured under the Insurance Policies.

#### **24.5 Commonhold**

The Real Property is not:

- (a) registered; or
- (b) subject to any pending application for registration,

as a freehold estate in commonhold land under Part 1 of the Commonhold and Leasehold Reform Act 2002.

#### **24.6 Environmental matters**

- (a) It is and has been in full compliance with all applicable Environmental Laws and there are, to the best of its knowledge and belief after all due enquiry, no circumstances that may prevent or interfere with such full compliance in the future and, other than in the ordinary course of its activities, it has not placed or allowed to be placed on any part of the Real Property any Dangerous Substance and where such Dangerous Substance has been so placed, it is kept, stored, handled, treated and transported safely and prudently so as not to pose a risk of harm to the Environment.
- (b) It is and has been, in compliance with the terms of all Environmental Licences necessary for the ownership and operation of its activities as presently owned and operated and as presently proposed to be owned and operated.
- (c) It is not aware, having made all reasonable enquiries, of any Environmental Claim in respect of the Real Property.

#### **24.7 Transfer, registration and calls**

- (a) The Shares are free from any restrictions as to transfer or registration and are not subject to any calls or other liability to pay money.
- (b) No company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

**24.8 Times for Making Representations and Warranties**

The representations and warranties set out in this Clause are made on the date of this Deed and are deemed to be repeated each day the Repeating Representations are repeated under the Facilities Agreement by reference to the facts and circumstances then existing.

**25. NEW ACCOUNTS**

If the Bank receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of such notice being the **Notice Date**) it may, without prejudice to its rights under this Deed, open a fresh account or accounts with the Company and continue any existing account in the name of the Company and may appropriate to any such fresh account any monies paid in, received or realised for the credit of the Company after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If the Bank fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

**26. MISCELLANEOUS**

**26.1 The Company**

This Deed is binding on the successors and assigns of the Company.

**26.2 Assignment and Transfer**

The Company may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Bank may assign and transfer all or any part of its rights and obligations under this Deed.

**26.3 Property**

This Deed is and will remain the property of the Bank.

**26.4 Continuing Security**

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

**26.5 Additional Security**

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by the Bank for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to the Bank of or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

**26.6 Variation of Security**

This Deed shall not in any way be affected or prejudiced by the Bank at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 26.5 (Additional Security) or any rights which the Bank may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

**26.7 Enforcement of Other Security**

The Bank shall not be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

**26.8 Redemption of Prior Incumbrances**

The Bank may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Company. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Company to the Bank and until such payment shall form part of the Secured Liabilities.

**26.9 Stamp Taxes**

The Company covenants to pay to the Bank and any Receiver, attorney, manager, agent or other person appointed by the Bank under this Deed immediately on demand a sum equal to any liability which the Bank, that Receiver, attorney, manager, agent or other person appointed by the Bank under this Deed incurs in respect of stamp duty, registration fees and other taxes which is or becomes payable in connection with the entry into, performance or enforcement of this Deed (including any interest, penalties, liabilities, costs and expenses resulting from any failure to pay or delay in paying any such duty, fee or tax).

**26.10 Finance Document**

This Deed is a Finance Document.

**26.11 Further advances**

- (a) The Bank must perform its obligations under the Facilities Agreement (including any obligation to make available further advances).
- (b) The Company hereby consents to the Bank making an application to the Chief Land Registrar on Form CH2 for the registration against the registered titles (if any) specified in Part 1 of Schedule 1 (Real Property) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the obligation to make further advances.

**27. COUNTERPARTS**

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

**28. LAW**

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

**29. ENFORCEMENT**

**29.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a **Dispute**).
- (b) Subject to Clause 29.1(c) below, the parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly the Company will not:
  - (i) argue to the contrary; or
  - (ii) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England.
- (c) This Clause 29.1 is for the benefit of the Bank only. As a result, the Bank shall not be prevented from initiating or pursuing proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may initiate or pursue:
  - (i) proceedings in any other court; and
  - (ii) concurrent proceedings in any number of jurisdictions,
  - (iii) irrespective of whether proceedings have already been initiated by any party in England. The Company irrevocably waives any right it may have to claim that the action has been brought in an inconvenient forum.

**IN WITNESS** whereof this Deed has been duly executed and delivered as a deed on the date first written above.

**SCHEDULE 1**

**PART 1**

**REAL PROPERTY**

Address

Title Number

**PART 2**

**INTELLECTUAL PROPERTY**

**PART 3**

**ASSIGNED AGREEMENTS**

**PART 4**

**SHARES**

Company	Number and type of Shares	Nominal Value	Percentage Shareholding
Statesman Travel Management Limited (CRN: 01278369)	100,000 Ordinary Shares	£1.00	100%
Travel Solutions International Limited (CRN: 06513842)	2,939 Ordinary Shares	£1.00	10%



## SCHEDULE 2

### PART 1

#### FORM OF NOTICE – INSURANCE POLICIES

To: [name and address of insurer]

Dated: [date]

Dear Sirs,

**Re: The policies of insurance referred to in the Schedule below (the Policies)**

We, [ ] (the **Chargor**), give you notice that, by a security agreement dated [date] (the **Security Agreement**) and made by (amongst others) ourselves in favour of Wells Fargo Bank, NA (the **Bank**), we have charged by way of fixed charge and assigned to the Bank, as first priority charge and assignee, all of the Policies as are capable of being charged and/or assigned by law.

The assets charged and assigned include all our right, title and interest in and to the Policies (including, but not limited to, the benefit of all sums assured by the Policies and all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of our ownership of the Policies and all interest on any of the secured money).

We irrevocably and unconditionally authorise and request you:

1. to note the Bank's interest as co-insured, first chargee and first loss payee of the proceeds of such Policies; and
2. to give the acknowledgement, undertakings and agreements required by the Bank and to act on the instructions of the Bank without any further reference to or authorisation from us.

Please confirm your agreement to the above by sending the attached acknowledgement to the Bank at [insert address], Attention: [ ] with a copy to ourselves.

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

Yours faithfully,

For and on behalf of [NAME OF CHARGOR]

By: .....

### The Schedule

#### The Policies

\* To be completed by the Chargor and approved by the Bank and to include all relevant policies with the named insurer

Policy number	Name and address of insurer	Name and address of broker	Brief description of assets insured	Date of expiry of policy #
1. [number]				
2. [number]				
3. [number]				
4. [number]				
5. [number]				

# not required if policies are annually renewable

Dated: [date]

[On copy of Notice]

[On the letterhead of the insurer]

To: Wells Fargo Bank, NA (as referred to in the Security Agreement)

Copy to: [NAME OF CHARGOR]

We [*name of insurer*] acknowledge receipt of the above notice. We:

1. agree to note your interest as co-insured, first chargee and sole loss payee of the proceeds of such Policies;
2. undertake to disclose to you, promptly following request, without any reference to or further authority from the Chargor, such information relating to the Policies as you may at any time reasonably request;
3. confirm that we have not received any notice of any previous assignment or charge by the Chargor of or over any of its rights, title, interests or benefits referred to in the notice;
4. agree to provide you with at least [30] days' written notice of our intention to cancel or decline renewal of any of the Policies; and
5. agree to provide you with at least [30] days' written notice of any request made, or notification given, by the Chargor to us, to cancel the Policies, or to allow the Policies to lapse.

Terms defined in the notice apply to this endorsement, which is governed by English law together with any non-contractual obligations arising out of or in connection with it.

Signed: .....

for and on behalf of [*name of insurer*]

Dated: [*date*]

## PART 2

### FORM OF NOTICE – CONTRACTS

To: [name and address of counterparty]

Dated: [date]

Dear Sirs,

Re: [here identify relevant contract] [the Contract] made between (1) [ ] (the Chargor) and (2) [here insert name of counterparty]

We, the Chargor, give you notice that, by a security agreement dated [date] (the Security Agreement) and made by (amongst others) ourselves in favour of Wells Fargo Bank NA (the Bank), we have charged by way of fixed charge and assigned to the Bank, as first priority charge and assignee, all of our rights, title and interest in the Contract.

We further irrevocably and unconditionally:

1. notify you that we may not agree to amend, modify or terminate the Contract without the prior written consent of the Bank;
2. confirm that, subject to paragraph 1 above, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Bank, but authorise and instruct you that, after you have received such notice, we will cease to have any right to deal with you in relation to the Contract except in accordance with the instructions of the Bank and therefore from that time you may deal directly with the Bank;
3. authorise and instruct you to disclose information in relation to the Contract to the Bank promptly on request, without any enquiry by you as to the justification for such disclosure or reference to or further authority from us;
4. authorise and instruct you that, whenever you serve any notice upon us under the Contract, you should supply a copy of such notice to the Bank at its address given in the copy of this notice (or as otherwise notified to you by it from time to time);
5. notify you that the provisions of this notice may only be revoked with the written consent of the Bank; and
6. confirm that you have not received any notice of any previous assignment or charge by us of any of our rights, title and/or interest in the Contract.

Please confirm your agreement to the above by sending the attached acknowledgement to the Bank at [insert address], Attention: [ ] with a copy to ourselves.

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

Yours faithfully,

For and on behalf of [NAME OF CHARGOR]:

By: .....

[to be included on copy notice]

To: Wells Fargo Bank, NA (as referred to in the Security Agreement)

Copy to: [NAME OF CHARGOR]

We [*name of counterparty*] acknowledge receipt of the above notice. We:

1. accept the instructions and authorisations set out in the notice and undertake to act in accordance with such instructions and authorisations; and
2. confirm that we have not received notice that the Chargor has assigned any of its rights, title or interest in under the Contract to a third party or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.

Terms defined in the notice apply to this endorsement, which is governed by English law together with any non-contractual obligations arising out of or in connection with it.

Signed: .....  
for and on behalf of [*name of counterparty*]  
Dated: [*date*]

### PART 3

#### FORM OF NOTICE – ACCOUNTS

To: [name and address of account bank] (the Account Bank)

Dated: [date]

Dear Sirs,

Re: Account No: [insert account number] (the Account)

Account Branch: [insert branch name and address]

Account Holder: [name of Chargor] (the Chargor)

We, the Chargor, give you notice that, by a security agreement dated [date] (the Security Agreement) and made by (amongst others) ourselves in favour of Wells Fargo Bank NA (the Bank), we have charged by way of fixed charge to the Bank, as first priority chargee, all the monies (including interest) from time to time standing to the credit of the Account including any re-designation and/or re-numbering from time to time of such Account (the Charged Account) and all indebtedness represented by the Charged Account and have assigned to the Bank all our rights and benefits in respect of the Charged Account.

We irrevocably and unconditionally authorise and instruct you:

1. to hold all monies from time to time standing to the credit of the Charged Account to the order of the Bank; and
2. to disclose to the Bank such information related to us and the Charged Account as the Bank may from time to time request you to provide.

The provisions of this notice may only be revoked or varied with the prior written consent of the Bank.

Please confirm your agreement to the above by sending the attached acknowledgement to the Bank at [insert address], Attention: [ ] with a copy to ourselves.

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

Yours faithfully,

.....  
for and on behalf of [NAME OF CHARGOR]:

[to be included on copy notice]

To: Wells Fargo Bank NA (as referred to in the Security Agreement)

Copy to: [NAME OF CHARGOR]

We [Name of Account Bank]:

1. acknowledge receipt of the above notice;
2. agree to act in accordance with the authorisations, instructions and notifications contained or referred to in the above notice;
3. confirm that we have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Account, or the indebtedness represented by them, or otherwise granted any security or other interest over those monies, or such indebtedness, in favour of any third party;
4. undertake that we will not 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 Account; and
5. agree that any notice or other communication from us to the Bank will be sent or made to the address of the Bank stated above, or to such other address as the Bank may from time to time notify to us.

Terms defined in the notice apply to this endorsement, which is governed by English law together with any non-contractual obligations arising out of or in connection with it.

\*\*\*\*\*  
for and on behalf of *[name and address of Account Bank]*

Dated: *[date]*

SIGNATORIES

THE BANK

WELLS FARGO BANK NA

By: M. Karimboos

Address: ONE PLANTATION PLACE, 30 RUCHURCH ST. LONDON,

Fax:

THE COMPANY

Executed as a deed by STATESMAN  
TRAVEL GROUP LIMITED acting by a  
director in the presence of:

)  
)  
)  
)

.....  
Director's signature

.....  
Director's name

Witness' signature:

Witness' name (BLOCK CAPITALS):

Witness' address:

Witness' occupation:



**SIGNATORIES**

**THE BANK**

**WELLS FARGO BANK NA**

By:

Address:

Fax:

**THE COMPANY**

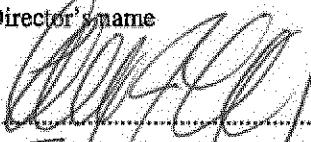
Executed as a deed by **STATESMAN  
TRAVEL GROUP LIMITED** acting by a  
director in the presence of:

)  
)  
)  
) 

Director's signature

.....  
KEVIN O'MALLEY

Director's name



Witness' signature:

Witness' name (BLOCK CAPITALS):

Witness' address:

.....  
TIMOTHY FLEMING  
2120 S. 72nd STREET  
OMAHA, NE, USA 68124

Witness' occupation:

.....  
CHIEF OPERATING OFFICER