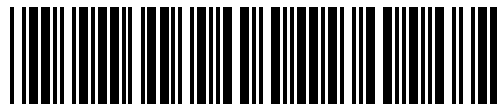




Registration of a Charge

Company Name: **SPRING CAPITAL PARTNERS LIMITED**

Company Number: **06310222**



XAAJVO6R

Received for filing in Electronic Format on the: **09/08/2021**

Details of Charge

Date of creation: **06/08/2021**

Charge code: **0631 0222 0003**

Persons entitled: **RICHARD GERALD THOMPSON**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ROBERT OATES**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6310222

Charge code: 0631 0222 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th August 2021 and created by SPRING CAPITAL PARTNERS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th August 2021 .

Given at Companies House, Cardiff on 10th August 2021

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**

Date

6 AUGUST

2021

**THE COMPANIES identified in schedule 1
as Original Chargors**

**RICHARD GERALD THOMPSON
as Chargee**

SECURITY AGREEMENT

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DATE

6 AUGUST

2021

PARTIES

- 1 **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (the "**Original Chargors**"); and
- 2 **RICHARD GERALD THOMPSON** of St Leonards, Les Eturs, Castel, Guernsey GY5 7DT (the "**Chargee**").

BACKGROUND

- A The Chargors are entering into this deed in connection with the issuance of the Loan Notes.
- B The Chargee and the Chargors intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 **Definitions and interpretation**

1.1 **Definitions**

Unless otherwise provided in this deed, terms defined in the Loan Note Instrument shall have the same meaning where used in this deed.

In addition, in this deed, unless the context otherwise requires, the following words shall have the following meanings:

Accounts: all accounts, and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by any Chargor or in which any Chargor has an interest;

Additional Chargor: any person which becomes a Chargor by executing a Deed of Accession in accordance with this deed;

Administrator: a person appointed in accordance with Schedule B1 Insolvency Act 1986 to manage a Chargor's affairs, business and property;

Assigned Agreements:

- (a) the introducer's agreement between SCPL and Evenlode Investment Management Limited dated 25 July 2018 as novated by SCPL to SCP(UK) on or around the date of this deed;
- (b) the surviving rights of SCPL to receive fees from Polen Capital Management, LLC ("**Polen**") following termination of the introducer's agreement between SCPL and Polen dated 10 December 2012 as assigned by SCPL to SCP(UK) on or around the date of this deed; and
- (c) the introducer's agreement between SCPL and Chelverton Asset Management Limited dated 12 February 2015 as novated by SCPL to SCP(UK) on or around the date of this deed; and
- (d) the introducer's agreement between SCPL and SCP(UK) dated 1 February 2014 (the "**Intercompany Services Agreement**"); and
- (e) the introducer's agreement between SCPL and Crossborder Capital Limited dated 12 July 2021 as novated by SCPL to SCP(UK) on or around the date of this deed; and

(f) any Future Distribution Agreements; and

any other agreement designated in writing as an Assigned Agreement by a Chargor and the Chargee.

Blocked Account: in relation to a Chargor, any other account which the Chargee and that Chargor have so designated;

Charged Assets: all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them);

Chargee Security Documents: the Security Documents (as that term is defined in the Loan Note Instrument);

Chargor: an Original Chargor or an Additional Chargor;

Debts: all book and other debts, of any kind whatsoever now or at any time hereafter (and from time to time) due, owing or payable to any Chargor or in which any Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same;

Deed of Accession: a deed substantially in the form of schedule 4 (*Form of Deed of Accession*);

Equipment: all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by any Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same;

Event of Default: has the same meaning as defined in the Loan Note Instrument;

Floating Charge Assets: all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it);

Future Distribution Agreements: any distribution agreements entered into after the date of this deed with an investment manager;

Goodwill: all goodwill now or at any time hereafter (and from time to time) of or in a Chargor;

Group: SCGH and its Subsidiaries from time to time;

Guernsey Security Interest Agreement: the Guernsey law governed security interest agreement dated on or around the date of this deed and made between SCGH as obligor and Richard Gerald Thompson as security trustee;

Insurance Policies:

- (a) the insurance policy entered into by SCP(UK) with Beazley Syndicate 2623/623 at Lloyd's (policy number: W12300621A);
- (b) the insurance policy entered into by SCP(UK) with Markel International Insurance Company (policy number: B125382998727); and
- (c) all other contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies, now or at any time hereafter (and from time to time) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties (including public liability policies);

Intellectual Property: all interests in respect of any patent (including supplementary protection certificates), trade mark, service mark, trade name, registered design, design right, copyright, know-how, utility model, topographical or similar right, moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case, any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest;

Loan Note Documents: the Loan Note Instrument, the Loan Notes, the Chargee Security Documents, the Pari Passu Deed and any other document which the Chargee and Chargors have so designated;

Loan Note Instrument: the loan note instrument dated on or around the date of this deed and executed by SCGH constituting the Loan Notes;

Loan Notes: the loan notes issued by SCGH to the Chargee pursuant to the terms of the Loan Note Instrument;

LPA: the Law of Property Act 1925;

Material Company: means, at any time:

- (a) a wholly-owned member of the Group that holds shares in a Chargor; or
- (b) a Subsidiary of SCGH which has earnings before interest, tax, depreciation and amortisation (**EBITDA**) representing 5 per cent. or more of EBITDA of the Group calculated on a consolidated basis or has gross assets, net assets or turnover (excluding intra-group items) representing 5 per cent. or more of the gross assets, net assets or turnover of the Group, calculated on a consolidated basis.

Material Equipment: in relation to a Chargor, any Equipment that is material to the business or operations of that Chargor or to the business or operations of the Chargors as a whole;

New Investor Security Documents: means

- (a) the security agreement dated on or around the date of this deed entered into by the Chargors as chargors and Square Asset Management Limited as security trustee; and;
- (b) the Guernsey Security Interest Agreement.

Pari Passu Deed: the pari passu deed dated on or around the date of this Deed and entered into between, amongst others, the Original Chargors, the Chargee, Landview Properties Limited, Get Going Finance Limited, Square Metre Asset Management Limited.

Pension Fund Interests: all interests and rights now or at any time hereafter (and from time to time) owned or held by any Chargor in relation to any pension fund;

Permitted Disposal: a disposal of the Chargors interests in the Seed Investments;

Permitted Security: means

- (a) the SCP(UK) Rent Deposit Deed;
- (b) the New Investor Security Documents; and
- (c) the Chargee Security Documents.

Properties: all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at

any time hereafter (and from time to time) owned by any Chargor but excluding in each case Short Leasehold Properties;

Property Interests: all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by any Chargor;

Receiver: a person appointed by the Chargee to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Chargor;

Related Rights: means, in relation to an agreement, any guarantee or security for the performance of any such agreement, any money now or at any time in the future due or owing to the Chargor under or in connection with any such agreement, all claims for damages or other remedies in respect of any present or future breach of such agreement and all rights and remedies for enforcing such agreement;

Restrictions Notice: a "restrictions notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006;

SCGH: means Spring Capital Group Holdings Limited, a company incorporated in England and Wales with company number 13450502;

SCP(UK): means Spring Capital Partners Limited, a company incorporated in England and Wales with company number 06310222;

SCP(UK) Rent Deposit Deed: means the rent deposit deed dated 5 July 2012 and granted by SCP(UK) in favour of Arg Pensions (1974) Limited and Arg Trustees (1970) Limited

SCPL: means Spring Capital Partners Limited, a company incorporated in the British Virgin Islands with company number 623830;

Secured Liabilities: all present and future liabilities and obligations at any time due, owing or incurred by any Chargor to the Chargee under or in connection with the Loan Note Documents, both actual and contingent and whether incurred solely or jointly, as principal or surety and/or in any other capacity;

Securities: all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned by any Chargor, or in which any Chargor has an interest, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof;

Securities Issuer: the issuer of any Securities;

Security: means a mortgage, charge, pledge, lien, security interest agreement or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Security Period: the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

Seed Investments: the seed investments in each of Prodigy Japan Fund and Evenlode Global Equity Fund;

Short Leasehold Properties: all leasehold properties for a term of less than 15 years unexpired at the date of acquisition of the lease (whether registered or unregistered) owned

by any Chargor under which that Chargor is obliged to pay a rack rent, save where the continuing occupation of the relevant land or, as the case may be, property is required in order to carry on the business and operations of that Chargor;

Subsidiary: a subsidiary within the meaning of s.1159 Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of:

- (a) another person (or its nominee) by way of security or in connection with the taking of security; or
- (b) its nominee;

Trading Account: in relation to any Chargor:

- (a) any account detailed in schedule 3 (*Trading Accounts*) and schedule 2 (*Trading Accounts*) to any Deed of Accession by which it has acceded to this deed in each case specified as belonging to it; or
- (b) any other account which the Chargee and that Chargor have so designated;

Uncalled Capital: in relation to a Chargor, all the uncalled capital now or at any time hereafter (and from time to time) of that Chargor; and

Warning Notice: a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Construction

1.2.1 In this deed (unless the context requires otherwise) any reference to:

- 1.2.1.1 a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- 1.2.1.2 each Chargor, the Chargee, any Securities Issuer, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements;
- 1.2.1.3 a Loan Note Document or any other agreement or instrument is a reference to that Loan Note Document or other agreement or instrument as amended (however fundamentally, including any amendment providing for any increase in the amount of any Loan Notes or other facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of any Loan Note Document or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Chargee;
- 1.2.1.4 "assets" includes present and future properties, revenues and rights of every description;
- 1.2.1.5 the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 16.1 (*Enforcement events*);

- 1.2.1.6 "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred;
- 1.2.1.7 "law" includes the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing;
- 1.2.1.8 a provision of law is a reference to that provision as amended or re-enacted from time to time;
- 1.2.1.9 a time of day is a reference to London time;
- 1.2.1.10 any gender includes a reference to the other genders;
- 1.2.1.11 the singular includes a reference to the plural and vice versa; and
- 1.2.1.12 a clause or schedule is to a clause or schedule (as the case may be) of or to this deed.
- 1.2.2 An Event of Default is "continuing" if it has not been remedied or waived.
- 1.2.3 Clause and schedule headings are for ease of reference only.

1.3 **Nature of security over real property**

A reference in this deed to any freehold, leasehold or commonhold property includes:

- 1.3.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- 1.3.2 the proceeds of sale of any part of that property; and
- 1.3.3 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any monies paid or payable in respect of those covenants.

1.4 **Secured Liabilities**

References in this deed to the Secured Liabilities shall be construed in relation to the Loan Note Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any loan note or loan note instrument in substitution for or in addition to the Loan Notes or Loan Note Instrument, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing.

1.5 **Inconsistency**

In the event of any inconsistency between the terms of this deed and the Pari Passu Deed, the terms of the Pari Passu Deed shall prevail.

1.6 **Guernsey Terms and Customary Law Waivers**

- 1.6.1 Each Chargor irrevocably waives and abandons any and all of its rights under the existing or future laws of Guernsey, whether by virtue of the droit de division or otherwise, to require that any liability under or in connection with this deed be divided or apportioned with any other person or reduced in any manner whatsoever, and whether by virtue of the droit de discussion or

otherwise, to require that recourse be had to the assets of any other person before any claim is enforced against the Chargor under this deed;

1.6.2 for the purposes of Clause 28.2, a declaration that a Chargor's or the Chargee's affairs are declared *en état de désastre* and/or a preliminary vesting order in saisie proceedings in Guernsey being made in respect of Chargor's or the Chargee's realty, shall be deemed to be a similar event; and

1.6.3 for the purposes of Clauses 2.4.5, 2.5.2 and 28.3, the (i) the commencement of proceedings towards the making of a declaration that the affairs of a Chargor or the Chargee are *en état de désastre* (or the making of such a declaration) and (ii) any steps being taken towards the making of an application for a preliminary vesting order in saisie proceedings in Guernsey in respect of realty of a Chargor or the Chargee (or the making of such a preliminary vesting order), shall be deemed to be included within the meaning of the word "insolvency".

2 Covenant to pay; Further advances

2.1 Covenant to pay

Each Chargor hereby covenants with the Chargee that it will on demand pay and discharge all Secured Liabilities owing or incurred to the Chargee when the same become due, whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Chargee in relation to any such Secured Liabilities or generally in respect of the Chargors.

2.2 Potential invalidity

Neither the covenant to pay in clause 2.1 (*Covenant to pay*) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

2.3 Further advances

This deed secures further advances made and Loan Notes subscribed for by the Chargee whether under or pursuant to the terms of the Loan Note Instrument.

2.4 Liability not discharged

The obligations of the Chargors under this deed and the security constituted by this deed will not be affected by any act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any such obligations or security, including:

2.4.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Chargee may now or after the date of this deed have from or against any Chargor or any other person in connection with the Secured Liabilities;

2.4.2 any act or omission by the Chargee or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against any Chargor or any other person;

2.4.3 any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities;

2.4.4 any grant of time, indulgence, waiver or concession to any Chargor or any other person;

- 2.4.5 the insolvency, bankruptcy, liquidation, administration or winding up or any incapacity, limitation, disability, discharge by operation of law or change in the constitution, name or style of any Chargor or any other person;
- 2.4.6 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from any Chargor or any other person in connection with the Secured Liabilities;
- 2.4.7 any claim or enforcement of payment from any Chargor or any other person; or
- 2.4.8 any other act or omission which would not have discharged or affected the liability of the Chargors had it been a principal debtor or anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargors or otherwise reduce or extinguish its liability under this deed.

2.5 **Immediate recourse**

The Chargors waive any right they may have to require the Chargee:

- 2.5.1 to take any action or obtain judgment in any court against any Chargor or any other person;
- 2.5.2 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any Chargor or any other person; or
- 2.5.3 to make demand, enforce or seek to enforce any claim, right or remedy against any Chargor or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

3 **Grant of security**

3.1 **Fixed security**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee hereby:

- 3.1.1 grants to the Chargee a charge by way of legal mortgage over all its Properties which are listed in schedule 2 (*Properties currently owned*) opposite its name;
- 3.1.2 charges to the Chargee, by way of first fixed charge, all its:
 - 3.1.2.1 Properties now owned by it to the extent that they are not the subject of a charge by way of legal mortgage pursuant to clause 3.1.1;
 - 3.1.2.2 Properties acquired by it after the date of this deed;
 - 3.1.2.3 Property Interests;
 - 3.1.2.4 Material Equipment;
 - 3.1.2.5 Securities;
 - 3.1.2.6 Intellectual Property;
 - 3.1.2.7 Debts;
 - 3.1.2.8 Accounts;
 - 3.1.2.9 Pension Fund Interests;

- 3.1.2.10 Goodwill and Uncalled Capital; and
 - 3.1.2.11 right, title and interest in and to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1 - 3.1.4 inclusive;
 - 3.1.3 assigns to the Chargee absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies; and
 - 3.1.4 subject to clause 7.4, assigns to the Chargee absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements.
- 3.2 **Floating security**
- 3.2.1 **Floating charge**

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby charges to the Chargee, by way of first floating charge, all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1 - 3.1.4 (*Fixed security*) inclusive.
 - 3.2.2 **Qualifying floating charge**

Schedule B1 para 14 Insolvency Act 1986 (as inserted by s.248 and Schedule 16 Enterprise Act 2002) applies to the floating charge created by this deed.
 - 3.2.3 **Automatic conversion of floating charge**

Notwithstanding anything express or implied in this deed (save for clause 3.2.7 (*Moratorium*)), and without prejudice to any law which may have similar effect, if:

 - 3.2.3.1 an Event of Default has occurred and is continuing; or
 - 3.2.3.2 any Chargor creates or attempts to create any Security (other than as permitted under the Loan Note Documents and subject to any applicable grace period contained therein) or any trust in favour of another person over any Floating Charge Asset; or
 - 3.2.3.3 any Chargor disposes or attempts to dispose of any Floating Charge Asset other than as permitted under the Loan Note Documents or in the ordinary course of its trading;

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over all the Floating Charge Assets or, in the case of clauses 3.2.3.2 and 3.2.3.3, over the relevant Floating Charge Asset.
 - 3.2.4 **Conversion of floating charge by notice**

Notwithstanding anything express or implied in this deed (save for clause 3.2.7 (*Moratorium*)), if:

 - 3.2.4.1 an Event of Default has occurred and is continuing; or

3.2.4.2 the Chargee considers (in its sole discretion) that any Floating Charge Assets are in jeopardy,

the Chargee may at any time thereafter, by notice to a Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the relevant Chargor specified in such notice (but without prejudice to the Chargee's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Chargee whatsoever).

3.2.5 **Assets acquired after any floating charge conversion**

Any asset acquired by any Chargor after any conversion of the floating charge created by this deed, in accordance with clauses 3.2.3 (*Automatic conversion of floating charge*) or 3.2.4 (*Conversion of floating charge by notice*) which but for such conversion would be subject to a floating charge shall, (unless the Chargee confirms in writing to the contrary) be charged to the Chargee by way of first fixed charge.

3.2.6 **Reconversion of fixed charge assets into floating charge assets**

The Chargee may at any time after any conversion of the floating charge created by this deed over any Charged Assets into a fixed charge in accordance with clauses 3.2.3 (*Automatic Conversion of floating charge*) or 3.2.4 (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the relevant Chargor.

3.2.7 **Moratorium**

Unless s.A52(4) Insolvency Act 1986 allows, the floating charge created by this deed may not be converted into a fixed charge solely by reason of:

3.2.7.1 the obtaining of a moratorium; or

3.2.7.2 anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 Insolvency Act 1986.

3.3 **Title documents**

3.3.1 Each Chargor shall within five Business Days of written request from the Chargee deposit with the Chargee (and the Chargee shall during the continuance of this security be entitled to hold):

3.3.1.1 all deeds and documents of title relating to the Charged Assets as the Chargee may from time to time require; and

3.3.1.2 all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Chargee may from time to time require.

3.4 **Security notices**

Each Chargor shall within five Business Days of written request from the Chargee:

3.4.1 give notice substantially in the form set out in part 1 of schedule 5 (*Form of notice to insurers*) to the relevant insurers of the assignment pursuant to clause 3.1.3 (*Fixed security*) of its rights and interest in and under the Insurance Policies and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Chargee in the form set out in part 2 of schedule 5 (*Form of acknowledgement from insurers*);

- 3.4.2 give notice substantially in the form set out in part 1 of schedule 6 (*Form of notice to counterparties of Assigned Agreements*) to the other parties to the Assigned Agreements to which it is a party of the assignment pursuant to clause 3.1.4 (*Fixed security*) of its rights and interest in and under the Assigned Agreements and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Chargee in the form set out in part 2 of schedule 6 (*Form of acknowledgement from counterparties to Assigned Agreements*) save that by executing this Deed SCP(UK) agrees to the terms of the notice and of the acknowledge as if such notice was delivered by SCPL and such acknowledgement was provided by SCP(UK) in respect of the Intercompany Services Agreement; and
- 3.4.3 give notice substantially in the form set out in part 1 of schedule 7 (*Form of notice of charge to third party bank*) to the banks, financial institutions and other persons of its charging to the Chargee pursuant to clause 3.1.2.8 (*Fixed security*) of its rights and interests under such accounts and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Chargee in the form set out in part 2 of schedule 7 (*Form of acknowledgement from third party bank*).

3.5 **Leasehold security restrictions**

- 3.5.1 There shall be excluded from the Security created by this deed any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained.
- 3.5.2 For each Excluded Property, each relevant Chargor undertakes to:
- 3.5.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of written request and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions as soon as possible;
 - 3.5.2.2 upon request, keep the Chargee informed of its progress in obtaining such consent or waiver; and
 - 3.5.2.3 forthwith upon receipt of such consent or waiver, provide the Chargee with a copy.
- 3.5.3 Immediately upon receipt of any consent or waiver referred to in clause 3.5.2, the relevant formerly Excluded Property shall stand charged to the Chargee under clause 3.1.1, clause 3.1.2.1, clause 3.1.2.2 or clause 3.1.2.3 (*Fixed security*) as the case may be. If required by the Chargee at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge in such form as the Chargee shall require.

4 **Restrictions on dealing**

4.1 **Negative pledge and restriction on disposal**

Each Chargor hereby covenants with the Chargee that it will not at any time except in accordance with the terms of the Loan Note Documents, in connection with a Permitted Disposal or otherwise with the prior consent of the Chargee:

- 4.1.1 create or purport to create or permit to subsist any Security other than Permitted Security on or in relation to the Charged Assets; or
- 4.1.2 enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or

otherwise dispose of or cease to exercise control of all, or part of, any interest in any Charged Assets.

4.2 Land Registry restriction

4.2.1 In respect of any Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or any Deed of Accession and/or pursuant to clause 9.11.2 (*Property acquisitions*), each Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

“No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [*name of Chargee*] referred to in the charges register or their conveyancer”.

4.2.2 Each Chargor authorises the Chargee to make any application which it deems appropriate for the designation of this deed or any other Loan Note Document as an exempt information document under rule 136 Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Chargee. Each Chargor will notify the Chargee in writing as soon as it receives notice of any person's application under rule 137 Land Registration Rules 2003 for the disclosure of this deed or any other Loan Note Document, following its designation as an exempt information document and will not make any application under rule 138 Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.

5 Debts and Accounts

5.1 Preservation of debts

Each Chargor shall not, except in accordance with the terms of the Loan Note Documents, sell, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as hereinafter expressly provided.

5.2 Realising debts

Each Chargor shall:

5.2.1 as agent for the Chargee, collect in and realise all Debts in the ordinary course of its business, pay the proceeds into the Trading Accounts forthwith upon receipt and, pending that payment, hold those proceeds in trust for the Chargee; and

5.2.2 if called upon so to do by the Chargee, execute a legal assignment of the Debts to the Chargee in such terms as the Chargee may require and give notice thereof to the debtors from whom the Debts are due, owing or incurred in such terms as the Chargee may require.

5.3 Accounts

5.3.1 No Trading Account or other Account may be overdrawn at any time.

5.3.2 Save for the opening of a business current account by SCGH (which shall be designated a Trading Account once SCGH provides the details of such account to the Chargee), no Chargor shall open or procure the opening of any Account unless permitted under the Loan Note Documents or with the prior written consent of the Chargee.

- 5.3.3 Any cash pooling, netting or similar arrangements entered into or to be entered into by one or more Chargors in respect of their Trading Accounts must be on terms which have been approved by the Chargee.

5.4 **Withdrawals**

- 5.4.1 Except with the prior consent of the Chargee no Chargor may withdraw any amounts from time to time standing to the credit of the Blocked Accounts; and
- 5.4.2 after the security constituted by this deed has become enforceable, each Chargor shall comply with any notice served by the Chargee on that Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its Accounts except with the prior consent of the Chargee.

6 **Insurance**

Each Chargor shall:

- 6.1 maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business;
- 6.2 duly and punctually pay all premiums in respect of such policies;
- 6.3 if requested by the Chargee, have the interests of the Chargee as mortgagee noted on the relevant policies;
- 6.4 use reasonable endeavours to provide that the relevant insurances shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Chargee;
- 6.5 use reasonable endeavours to procure that the insurer is obliged under the terms of each policy to give not less than 28 days' written notice to the Chargee of any intention to avoid those insurances;
- 6.6 procure that under the terms of each policy the Chargee shall not in any circumstances be liable for the relevant premium; and
- 6.7 from time to time upon request by the Chargee, supply the Chargee with copies of all such insurance policies or certificates of insurance or such other evidence of the existence of such policies as may be reasonably acceptable to the Chargee.

7 **Assigned Agreements**

Each Chargor shall:

- 7.1 ensure the existence and validity of the Assigned Agreements in accordance with their terms;
- 7.2 take all necessary steps in order to comply with the terms of the Assigned Agreements;
- 7.3 not without the prior consent of the Chargee (such consent not to be unreasonably withheld or delayed) (i) amend or modify any Assigned Agreement or (ii) terminate any Assigned Agreement; and
- 7.4 where the consent of a counterparty is required to assign an Assigned Agreement, use all reasonable endeavours to obtain the consent of that counterparty within 10 Business Days of:
- 7.4.1 the date of this deed, in the case of an Assigned Agreement designated as such on the date of this deed; or

- 7.4.2 the date the Assigned Agreement was designated as an Assigned Agreement in the case of an Assigned Agreement designated as such after the date of this deed;
- 7.5 where the consent of a counterparty is not provided pursuant to clause 7.4 above, such agreement shall not be an Assigned Agreement and the relevant Chargor's rights under such agreement shall be charged to the Chargee pursuant to clause 3.1.2.11.
- 8 **Future Agreements**
- SCGH shall procure that all Future Distribution Agreements are entered into by SCP(UK) and no other member of the Group (without the prior consent of the Chargee, such consent not to be unreasonably withheld or delayed).
- 9 **Properties**
- Each Chargor hereby covenants with the Chargee that it will:
- 9.1 **Maintenance**
- keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition;
- 9.2 **Preservation of property and fixtures**
- not without the prior consent of the Chargee, such consent not to be unreasonably withheld or delayed:
- 9.2.1 pull down or remove the whole or any part of any buildings forming part of any Property;
- 9.2.2 make any structural alterations to any Property; or
- 9.2.3 sever or unfix or remove any of the fixtures thereto (except for the purpose of effecting necessary repairs or replacement thereto);
- 9.3 **Information**
- 9.3.1 within five Business Days after becoming aware thereof give full particulars to the Chargee of any notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever; and
- 9.3.2 if required by the Chargee, forthwith and at the cost of such Chargor take all steps to comply with any such notice, order, direction, designation or resolution and make or join with the Chargee in making such objections or representations in respect of any such proposal as the Chargee may desire;
- 9.4 **Compliance with obligations**
- 9.4.1 observe and perform all material covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected;
- 9.4.2 perform and observe all material covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held; and
- 9.4.3 promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties;

9.5 **Maintenance of interests in Properties**

not without the prior consent of the Chargee (such consent not to be unreasonably withheld or delayed) or unless permitted in the Loan Note Documents:

- 9.5.1 grant or agree to grant any licence or tenancy affecting any Property or part of a Property;
- 9.5.2 exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by ss.99 or 100 LPA; or
- 9.5.3 in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof;

9.6 **Registration restrictions**

procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Chargee;

9.7 **Development restrictions**

not without the prior consent of the Chargee carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property;

9.8 **No restrictive obligations**

not without the prior consent of the Chargee enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof;

9.9 **Proprietary rights**

procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Chargee;

9.10 **Inspection**

permit the Chargee, any Administrator and any Receiver and any person appointed by any of them to enter upon and inspect any Property upon reasonable prior notice; and

9.11 **Property acquisitions**

if it acquires any Property:

- 9.11.1 inform the Chargee promptly of such acquisition;
- 9.11.2 immediately on request by the Chargee and at the cost of that Chargor, execute and deliver to the Chargee a legal mortgage in favour of the Chargee over that Property in such form as the Chargee may require (or such other Security in the jurisdiction where such property is located as the Chargee may require); and
- 9.11.3 comply with all registration requirements resulting from the acquisition of such Property and the creation of Security over such Property pursuant to this deed and the legal mortgage (or other Security) referred to above.

10 **Material Equipment**

Each Chargor hereby covenants with the Chargee as follows:

10.1 **Maintenance of equipment**

to maintain the Material Equipment in good and serviceable condition (fair wear and tear excepted);

10.2 **Payment of equipment taxes**

promptly to pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Material Equipment and on demand produce evidence thereof to the Chargee;

10.3 **Material Equipment information**

to give the Chargee such information concerning the location, condition, use and operation of the Material Equipment as the Chargee may reasonably require and to permit any persons designated by the Chargee at all reasonable times and upon reasonable notice to inspect and examine the Material Equipment and the records maintained in connection therewith;

10.4 **Notice of Charge**

if so requested by the Chargee, to place and maintain on each item of Material Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [*description of item*] and ancillary equipment is subject to a fixed charge dated [] in favour of [*name of Chargee*]."

11 **Intellectual Property**

Each Chargor hereby covenants with the Chargee as follows:

11.1 **Preservation of rights**

to take all action to safeguard and maintain its present and future rights in or relating to the Intellectual Property necessary for the business of the relevant Chargor and, if requested to do so by the Chargee, to sign or procure the signature of, and comply with all instructions of the Chargee in respect of, any document required to make entries in any public register of Intellectual Property which either record the existence of this deed or the restrictions on disposal imposed by this deed; and

11.2 **Consents**

promptly, to use all reasonable endeavours to obtain any consent required for the creation of a fixed charge over any Intellectual Property.

12 **Securities**

12.1 **Registration of Securities**

The Chargee may at any time cause any or all of the Securities to be registered in the name of the Chargee or its nominee. Each Chargor agrees promptly to execute and deliver to the Chargee all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration.

12.2 **Additional registration obligations**

Each Chargor hereby:

12.2.1 grants and agrees to procure as necessary, all consents, waivers, approvals and permissions which are necessary, under the articles of association of any

Securities Issuer or otherwise, for the transfer of the Securities to the Chargee or its nominee or to a purchaser upon enforcement of this deed; and

- 12.2.2 agrees to procure the amendment of the share transfer provisions of each Securities Issuer's memorandum and articles of association in such manner as the Chargee may reasonably require in order to permit such a transfer.

12.3 Dividends prior to enforcement

- 12.3.1 No cash dividends, charges, fees or other cash distributions paid or payable in respect of the Securities may be paid by a Chargor to a party which is not a Chargor without the consent of the Chargee.

- 12.3.2 SCGH shall not declare, make or pay any dividend, charge, fee or other distribution on or in respect of its share capital without the consent of the Chargee.

12.4 Voting rights prior to enforcement

Subject to Clause 12.3 above, until the security constituted by this deed becomes enforceable:

- 12.4.1 the relevant Chargor may exercise all voting and other rights and powers attaching to the Securities and exercisable by the relevant Chargor provided that, other than in connection with a Permitted Disposal, the exercise of such voting and other rights and powers would not prejudice the Chargee's security under this deed or the value of the Securities or contravene any Loan Note Document; and

- 12.4.2 the Chargee will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Securities and exercisable by the Chargee or its nominee as the relevant Chargor may from time to time direct provided that, other than in connection with a Permitted Disposal, the exercise of such voting and other rights and powers is in accordance with such directions would not prejudice the Chargee's security under this deed or the value of the Securities or contravene any Loan Note Document

12.5 Dividends and voting rights post enforcement

After the security constituted by this deed has become enforceable:

- 12.5.1 all dividends and other distributions paid in respect of the Securities and received by any Chargor shall be held on trust for the Chargee and forthwith paid into the Accounts or, if received by the Chargee or its nominee, shall be retained by the Chargee; and

- 12.5.2 the Chargee may exercise or direct the exercise (or refrain from exercising or directing the exercise) of all voting and other rights and powers attaching to the Securities as the Chargee may in its absolute discretion think fit and each Chargor shall, and shall procure that its nominees shall, comply with any such directions from the Chargee concerning the exercise of such rights and powers.

12.6 Warning Notice or Restrictions Notice

- 12.6.1 Each Chargor represents and warrants to the Chargee that no Warning Notice or Restrictions Notice has been issued to it in respect of all or any part of the Securities and remains in effect.

- 12.6.2 Each Chargor shall comply with any notice served on it in respect of all or any part of the Securities pursuant to part 21A of the Companies Act 2006 within

the timeframe specified in that notice and shall deliver a copy of any such notice to the Chargee promptly upon receipt.

12.7 **Additional undertakings**

Each Chargor further undertakes to the Chargee that it shall:

- 12.7.1 duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Securities, it being acknowledged by the Chargors that the Chargee shall be under no liability whatsoever in respect of any such calls, instalments or other moneys;
- 12.7.2 not without the Chargee's prior consent (such consent not to be unreasonably withheld or delayed) or unless permitted under the Loan Note Documents amend, or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Securities in a way which would prejudice the rights of the Chargee;
- 12.7.3 ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no Securities Issuer will:
 - 12.7.3.1 consolidate or sub-divide any of its Securities or reduce or re-organise its share capital in any way (other than as permitted under the Loan Note Documents);
 - 12.7.3.2 issue any new shares or stock (other than as permitted under the Loan Note Documents); or
 - 12.7.3.3 refuse to register any transfer of any of its Securities which may be lodged for registration by or on behalf of the Chargee or a Chargor in accordance with this deed;
- 12.7.4 it shall promptly send to the Chargee copies of all documents which are sent to holders of any Securities in such capacity; and
- 12.7.5 promptly give notice of this deed to any custodian of any Securities in any form which the Chargee may reasonably require and use its reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Chargee may reasonably require.

13 **Uncalled Capital**

Each Chargor further covenants with the Chargee that it will not call up, or receive in advance of calls, any Uncalled Capital and it will apply all proceeds of any Uncalled Capital, immediately on receipt, towards the discharge of the Secured Liabilities.

14 **Representations and warranties**

14.1 **Representations and warranties**

Each Chargor represents and warrants to the Chargee in respect of itself, on the date of this deed (in the case of each Original Chargor) or on the date of the relevant Deed of Accession (in the case of each Additional Chargor), as follows:

- 14.1.1 it is (except as permitted under the terms of the Loan Note Documents) the legal and beneficial owner of the Charged Assets;
- 14.1.2 it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in them;

- 14.1.3 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Charged Assets;
 - 14.1.4 no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use;
 - 14.1.5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property; and
 - 14.1.6 there is no prohibition on assignment in any Insurance Policy (or guarantee or security for the performance thereof), and its entry into this deed or the relevant Deed of Accession (as applicable) will not constitute a breach of any Insurance Policy (or guarantee or security for the performance thereof).
- 14.2 **Repetition**
- The representations and warranties set out in clause 14.1 (*Representations and warranties*) will be deemed to be repeated by each Chargor on each day of the Security Period by reference to the facts and circumstances then existing.
- 14.3 **Notice of breach**
- Each Chargor will promptly upon becoming aware of the same give the Chargee notice in writing of any breach of any representation or warranty set out in clause 14.1 (*Representations and warranties*).
- 15 **Power to remedy**
- 15.1 If a Chargor is at any time in breach of any of its obligations contained in this deed, the Chargee shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Chargee and its agents to do all things necessary or desirable in connection therewith.
- 15.2 The rights of the Chargee contained in this clause 15 are without prejudice to any other rights of the Chargee hereunder and the exercise by the Chargee of its rights under this clause shall not make the Chargee liable to account as a mortgagee in possession.
- 16 **Enforcement**
- 16.1 **Enforcement events**
- The security constituted by this deed shall become immediately enforceable if:
- 16.1.1 an Event of Default occurs; or
 - 16.1.2 any of the New Investor Security Documents become enforceable.
- 16.2 **Statutory power of sale**
- The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Chargee shall not exercise such power of sale until the security constituted by this deed has become enforceable.
- 16.3 **Extension of statutory powers**
- 16.3.1 Any restriction imposed by law on the power of sale (including under s.103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s.93 LPA) does not apply to the security constituted by this deed and the Chargee or any Receiver shall have the right to consolidate all or any of the

security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same.

- 16.3.2 Any powers of leasing conferred on the Chargee or any Receiver by law are extended so as to authorise the Chargee or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under ss.99 or 100 LPA).

16.4 **No obligation to enquire**

No person dealing with the Chargee, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire:

- 16.4.1 whether the security constituted by this deed has become enforceable;
- 16.4.2 whether any power exercised or purported to be exercised has become exercisable;
- 16.4.3 whether any money remains due under the Loan Note Documents;
- 16.4.4 as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets; or
- 16.4.5 how any money paid to the Chargee, Administrator or Receiver, or its agents or brokers is to be applied.

16.5 **No liability as mortgagee in possession**

None of the Chargee, any Administrator or any Receiver shall be liable:

- 16.5.1 to account as mortgagee in possession in respect of all or any of the Charged Assets; or
- 16.5.2 for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable unless directly caused by its gross negligence, fraud or wilful misconduct.

16.6 **Power to dispose of chattels**

After the security constituted by this deed has become enforceable, the Chargee, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Chargee, the Administrator or the Receiver shall be indemnified by such Chargor against any liability arising from such disposal.

16.7 **Redemption of prior Security**

At any time after the security constituted by this deed shall have become enforceable the Chargee may:

- 16.7.1 redeem any prior Security;
- 16.7.2 procure the transfer thereof to itself; and/or
- 16.7.3 settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Chargor and all monies paid by the Chargee to the prior encumbrancer in accordance with such accounts shall as from such payment be due from such Chargor to

the Chargee on current account and shall bear interest and be secured as part of the Secured Liabilities.

17 **Administrator and Receiver**

17.1 **Appointment of Administrator or Receiver**

At:

17.1.1 any time after the security constituted by this deed becomes enforceable;

17.1.2 any time after any corporate action or any other steps are taken or legal proceedings started by or in respect of any Chargor with a view to the appointment of an Administrator; or

17.1.3 the request of the relevant Chargor,

the Chargee may without further notice, under seal or by writing under hand of a duly authorised officer of the Chargee:

17.1.3.1 appoint any person or persons to be an Administrator of any Chargor; or

17.1.3.2 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor; and

17.1.3.3 (subject to s.45 Insolvency Act 1986) from time to time remove any person appointed to be a Receiver and appoint another in his place.

17.2 **Moratorium**

Unless s.A52(4) Insolvency Act 1986 allows, the Chargee is not entitled to appoint a Receiver solely by reason of:

17.2.1 the obtaining of a moratorium; or

17.2.2 anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 Insolvency Act 1986.

17.3 **More than one appointment**

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Chargee specifies to the contrary).

17.4 **Additional powers**

17.4.1 The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Chargee under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s.109 LPA or otherwise.

17.4.2 The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Chargee notwithstanding any prior appointment in respect of all or any part of the Charged Assets.

17.5 Agent of the relevant Chargor

17.5.1 Any Administrator or Receiver shall be the agent of the relevant Chargor and the relevant Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

17.5.2 The Chargee will not incur any liability (either to a Chargor or to any other person) by reason of the appointment of an Administrator or Receiver.

17.6 Powers of Administrator and Receiver

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Sched B1 Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed):

17.6.1 (in respect of a Receiver) all of the powers of an administrative receiver set out in Sched 1 Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

17.6.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;

17.6.3 all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any relevant Chargor itself could do or omit to do; and

17.6.4 the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or 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, any relevant Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit; and the execution of documents in the name of the relevant Chargor (whether under hand, or by way of deed or by utilisation of the company seal of such Chargor)).

18 Amounts received

18.1 Application of proceeds

Any Receiver shall apply all monies received by him (other than insurance monies):

18.1.1 first in paying all rents, taxes, duties, rates and outgoings affecting any Charged Assets;

18.1.2 secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him;

18.1.3 thirdly in paying his remuneration (as agreed between him and the Chargee);

18.1.4 fourthly in or towards discharge of the Secured Liabilities in such order and manner as provided for in the Pari Passu Deed; and

18.1.5 finally in paying any surplus to the Chargors or any other person entitled to it.

18.2 Section 109(8) Law of Property Act 1925

Neither the Chargee nor any Receiver or Administrator shall be bound (whether by virtue of s.109(8) LPA, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

18.3 **Currencies of denomination**

For the purpose of or pending the discharge of any of the Secured Liabilities the Chargee may convert any monies received, recovered or realised by the Chargee under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Chargee may think fit and any such conversion shall be effected at the Chargee's then prevailing spot selling rate of exchange.

18.4 **Suspense account**

Unless sufficient to redeem all amounts owed to the Chargee in full in accordance with the Pari Passu Deed, all monies received recovered or realised by the Chargee under this deed may at the discretion of the Chargee be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Chargee thinks fit pending the application from time to time (as the Chargee shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities.

18.5 **New accounts**

If the Chargee receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets, the Chargee may open a new account or accounts for the relevant Chargor in its books and (without prejudice to the Chargee's right to combine accounts) no money paid to the credit of such Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Chargee does not open a new account or accounts immediately on receipt of such notice then unless the Chargee gives express notice to the contrary to the relevant Chargor as from the time of receipt of such notice by the Chargee all payments made by the relevant Chargor to the Chargee in the absence of any express appropriation by such Chargor to the contrary shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities.

18.6 **Chargee set-off rights**

If the Chargee shall have more than one account for any Chargor in its books the Chargee may at any time after the security constituted by this deed has become enforceable or the Chargee has received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Chargee shall notify the relevant Chargor of the transfer having been made.

19 **Power of attorney and delegation**

19.1 **Power of attorney**

Each Chargor hereby by way of security irrevocably appoints the Chargee and (jointly and severally) each and every Administrator or Receiver of this deed to be the attorney of such Chargor and in its name and on its behalf and as its act and deed or otherwise and after the security constituted by this deed has become enforceable to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument, notice or act which such Administrator or Receiver or the Chargee may consider expedient in the exercise of any of his or its powers or in respect of such Chargor's obligations under this deed which the applicable Chargor has failed to do. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971.

19.2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm:

- 19.2.1 all transactions entered into by the Chargee and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this deed; and
- 19.2.2 all transactions entered into by the Chargee and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act.
- 19.3 The Chargee and any Administrator or 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 these powers, authorities or discretions by it or him or any revocation of the delegation or subsequent delegation.
- 20 **Protection of security and further assurance**
- 20.1 **Independent security**
- This deed shall be in addition to and independent of every other security or guarantee that the Chargee may at any time hold for any of the Secured Liabilities. No prior security held by the Chargee over the whole or any part of the Charged Assets shall merge in the security created by this deed.
- 20.2 **Continuing security**
- This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part.
- 20.3 **No waivers; rights cumulative**
- No failure to exercise, nor delay in exercising, on the part of the Chargee, any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy. The rights and remedies of the Chargee provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.
- 20.4 **No Chargor set-off**
- Each Chargor waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by such Chargor under this deed).
- 20.5 **Further assurance**
- 20.5.1 Each Chargor shall, promptly upon request by the Chargee or any Receiver or Administrator, at its own expense, take whatever action the Chargee or a Receiver or Administrator may reasonably require for:
- 20.5.1.1 creating, perfecting or protecting any security intended to be created by or pursuant to this deed;
- 20.5.1.2 facilitating the realisation of any Charged Asset;
- 20.5.1.3 exercising any right, power or discretion conferred on the Chargee, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset; or
- 20.5.1.4 creating and perfecting security in favour of the Chargee (equivalent to the security intended to be created by this deed)

over any assets of any Chargor located in any jurisdiction outside England and Wales.

20.5.2 This includes:

20.5.2.1 the re-execution of this deed;

20.5.2.2 the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Chargee or to its nominee; and

20.5.2.3 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Chargee (or the Receiver or Administrator, as appropriate) may think expedient.

21 **Additional Chargers**

SCGH shall procure that any other member of the Group which is a Material Company shall, as soon as possible after becoming a Material Company (and in any event no later than 20 Business Days after becoming a Material Company), become an Additional Chargor and shall:

21.1 execute a Deed of Accession;

21.2 grant any other Security in favour of the Chargee over its assets located in a jurisdiction other than England and Wales in such form as the Chargee may require; and

21.3 accede to the Pari Passu Deed.

22 **Costs and indemnity**

22.1 Each Chargor shall pay or reimburse to the Chargee and any Administrator or Receiver on demand, on a full indemnity basis, all costs, charges and expenses (including legal fees) in any way incurred by the Chargee and/or the Administrator and/or the Receiver in relation to this deed or the Charged Assets or in protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Chargee's rights under this deed or in suing for or recovering any of the Secured Liabilities (including, without limitation, the costs of any proceedings in relation to this deed or the Secured Liabilities).

22.2 Each Chargor hereby agrees to indemnify and hold harmless the Chargee, any Administrator and any Receiver from and against all actions, claims, expenses, demands and liabilities, whether arising out of contract or in tort or in any other way, which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers pursuant to this deed (otherwise, in each case, than by reason of their gross negligence or wilful misconduct).

23 **Miscellaneous**

23.1 **Certificates conclusive**

A certificate or determination by the Chargee as to any amount or rate under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error.

23.2 **Limitations**

The obligations of any Additional Chargor are subject to the limitations (if any) set out in the Deed of Accession executed by that Additional Chargor.

23.3 **Notice of assignment**

This deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other Chargor.

23.4 **Financial collateral**

23.4.1 To the extent that the Charged Assets constitute "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), the Chargee shall have the right after the Security constituted by this deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

23.4.2 For the purpose of clause 23.4.1, the value of the financial collateral appropriated shall be such amount as the Chargee reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

23.5 **Severability**

If any provision of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.

23.6 **Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the Loan Note Documents and of any side letters between any parties in relation to the Loan Note Documents are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with s.2(1) Law of Property (Miscellaneous Provisions) Act 1989.

23.7 **Third party rights**

Save as expressly provided to the contrary in a Loan Note Document, a third party (being any person other than the Chargors and the Chargee and their successors and permitted assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed. Notwithstanding any term of any Loan Note Document, the consent of such third party is not required to rescind or vary this deed at any time.

23.8 **Joint and several liability**

The covenants, agreements, obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly.

23.9 **Trustee Act 2000**

The Chargors and the Chargee agree that the Chargee shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000.

24 **Demands and notices**

24.1 **Mode of service**

Any demand for payment and any other demand, notice, consent or communication made or given on or to a Chargor under or in connection with this deed may be left at any of the addresses referred to in clause 24.2 (*Addresses*) or sent there by first class post or facsimile. Any such demand shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities.

24.2 **Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this deed is:

24.2.1 in the case of an Original Chargor, that identified with its name below;

24.2.2 in the case of the Chargee, that identified with its name below,

or any substitute address, fax number or department or officer as the Original Chargor may notify to the Chargee (or the Chargee may notify to the other parties, if a change is made by the Chargee) by not less than five Business Days' notice.

25 **Proof of service**

In proving service of a document it shall be sufficient to prove that it was left at the relevant location or that it was properly addressed, stamped and posted or transmitted by facsimile.

26 **Deemed service**

Any demand or notice:

26.1.1 if left at the relevant address, shall be deemed given when so left if left before 5.00pm on a Business Day in the place of delivery, shall be deemed delivered on that day, and if so delivered at any other time shall be deemed given at the opening of normal business hours on the next following Business Day;

26.1.2 if sent by post, shall be deemed given when it would be delivered in the normal course of post; and

26.1.3 if sent by facsimile before 5.00 pm on a Business Day in the place of receipt, shall be deemed given on that day, and if so sent at any other time shall be deemed given at the opening of normal business hours on the next following Business Day.

27 **Assignment and transfer**

27.1 **Assignment by Chargee**

The Chargee may at any time without the consent of any Chargor, assign or transfer the whole or any part of its rights under this deed to any person to which it can transfer its rights in accordance with the terms of the Pari Passu Deed or the Loan Note Documents.

27.2 **Assignment by Chargor**

No Chargor may without the consent of the Chargee, assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

28 **Release of Security**

28.1 **Release**

Subject to clause 28.3 (*Discharge conditional*), upon the expiry of the Security Period (but not otherwise) the Chargee shall, at the request and cost of the Chargors, take whatever action is necessary to release the Charged Assets from the security constituted by this deed and re-assign the Charged Assets to the relevant Chargor(s).

28.2 **Avoidance of payments and reinstatement**

If any payment by a Chargor or any discharge given by the Chargee (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is (a)

capable of being avoided or reduced (in the opinion of the Chargee) or (b) avoided or reduced in each case as a result of insolvency or any similar event, then:

- 28.2.1 the liability of each Chargor will continue as if the payment, discharge, avoidance or reduction had not occurred;
- 28.2.2 the Chargee will be entitled to recover the value or amount of that security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred; and
- 28.2.3 the Chargee shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred.

28.3 **Discharge conditional**

Any release, discharge or settlement between any Chargor and the Chargee shall be deemed conditional upon no payment or security received by the Chargee in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement:

- 28.3.1 the Chargee or its nominee shall be at liberty to retain this deed and the Security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Chargee shall deem necessary to provide the Chargee with security against any such avoidance or reduction or order for refund; and
- 28.3.2 the Chargee shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and each Chargor agrees with the Chargee accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause, whether actual or contingent.

29 **Governing law**

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

30 **Enforcement**

30.1 **Jurisdiction of English courts**

- 30.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a "**Dispute**").
- 30.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 30.1.3 This clause 30.1 is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

30.2 **Service of process**

Without prejudice to any other mode of service allowed under any relevant law Kashmir Holdings Limited:

- 30.2.1 irrevocably appoints SCGH as its agent for service of process in relation to any proceedings before the English courts in connection with any Loan Note Document; and
- 30.2.2 agrees that failure by a process agent to notify any Chargor of the process will not invalidate the proceedings concerned.

31 **Counterparts**

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

In Witness whereof this deed has been executed by the Original Chargors and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Chargee.

SCHEDULE 1

Original Chargors

Name and Company Number	Jurisdiction	Registered Office
Spring Capital Group Holdings Limited (13450502)	England & Wales	Acre House, 11/15 William Road, London NW1 3ER
Kashmir Holdings Limited (42933)	Guernsey	Maison de Haut, La Grande Rue, St Saviours
Spring Capital Partners Limited (06310222)	England & Wales	Suite 3a 17-20, Ironmonger Lane, London, EC2V 8EP

SCHEDULE 2

Properties currently owned

Part A: Registered Land

None on the date of this deed

Part B: Unregistered Land

None on the date of this deed

SCHEDULE 3

Accounts

Trading Accounts

Chargor	Bank	Account name	Account number	Sort code
Kashmir Holdings Limited	Coutts & Co	Business Current Account	██████████	██████████
Spring Capital Partners Limited (UK)	HSBC UK Bank plc	Business Current Account	██████████	██████████

SCHEDULE 4

Form of Deed of Accession

DATE

PARTIES

- 1 [] (registered number []) with its registered office at [] (the "**Additional Chargor**"); and
- 2 **[RICHARD GERALD THOMPSON]** of St Leonards, Les Eturs, Castel, Guernsey GY5 7DT] (the "**Chargee**").

BACKGROUND

- A The Additional Chargor is a Subsidiary of SCGH.
- B SCGH and others has entered into a security agreement dated [] (the "**Security Agreement**") between SCGH, the Chargors under and as defined in the Security Agreement and the Chargee.
- C The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Security Agreement.
- D The Chargee and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 Definitions and interpretation

Terms defined in the Security Agreement have the same meaning in this deed unless given a different meaning in this deed. This deed is a Loan Note Document.

2 Accession and covenant to pay

2.1 With effect from the date of this deed the Additional Chargor:

- 2.1.1 will become a party to the Security Agreement as a Chargor; and
- 2.1.2 will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor.

2.2 The Additional Chargor hereby covenants with the Chargee that it will on demand pay and discharge all Secured Liabilities owing or incurred to the Chargee when the same become due, whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Chargee in relation to any such Secured Liabilities or generally in respect of the Chargors.

2.3 Neither the covenant to pay in clause 2.2 nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

3 Further advances

This deed secures further advances made and Loan Notes subscribed for by the Chargee whether under or pursuant to the terms of the Loan Note Instrument or otherwise regardless of any intermediate payment or discharge in whole or in part.

4 Liability not discharged

The obligations of the Additional Chargors under this deed and the security constituted by this deed will not be affected by any act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any such obligations or security, including:

- 4.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Chargee may now or after the date of this deed have from or against any Chargor or any other person in connection with the Secured Liabilities;
- 4.2 any act or omission by the Chargee or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against any Chargor or any other person;
- 4.3 any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities;
- 4.4 any grant of time, indulgence, waiver or concession to any Chargor or any other person;
- 4.5 the insolvency, bankruptcy, liquidation, administration or winding up or any incapacity, limitation, disability, discharge by operation of law or change in the constitution, name or style of any Chargor or any other person;
- 4.6 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, any Chargor or any other person in connection with the Secured Liabilities;
- 4.7 any claim or enforcement of payment from any Chargor or any other person; or
- 4.8 any other act or omission which would not have discharged or affected the liability of the Chargors had it been a principal debtor or anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargors or otherwise reduce or extinguish its liability under this deed.

5 Immediate recourse

The Additional Chargors waives any right it may have to require the Chargee:

- 5.1 to take any action or obtain judgment in any court against any Chargor or any other person;
- 5.2 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any Chargor or any other person; or
- 5.3 to make demand, enforce or seek to enforce any claim, right or remedy against any Chargor or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

6 Grant of security

6.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby:

- 6.1.1 grants to the Chargee, a charge by way of legal mortgage over all its Properties which are listed in schedule 1 (*Properties currently owned*) to this deed;
- 6.1.2 charges to the Chargee, by way of first fixed charge, all its:

- 6.1.2.1 Properties now owned by it to the extent that they are not the subject of a charge by way of legal mortgage pursuant to clause 6.1.1;
- 6.1.2.2 Properties acquired by it after the date of this deed;
- 6.1.2.3 Property Interests;
- 6.1.2.4 Material Equipment;
- 6.1.2.5 Securities;
- 6.1.2.6 Intellectual Property;
- 6.1.2.7 Debts;
- 6.1.2.8 Accounts;
- 6.1.2.9 Pension Fund Interests;
- 6.1.2.10 Goodwill and Uncalled Capital; and
- 6.1.2.11 right, title and interest in and to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 inclusive.
- 6.1.3 assigns to the Chargee absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies; and
- 6.1.4 subject to clause 7.4 of the Security Agreement, assigns to the Chargee absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements.

6.2 **Floating security**

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges to the Chargee, by way of first floating charge, all of its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 (*Fixed security*) inclusive.

6.3 **Leasehold security restrictions**

- 6.3.1 There shall be excluded from the Security created by this deed and by the Security Agreement, and from the operation of clause 4.1 (*Restrictions on dealing*) of the Security Agreement, any Excluded Property until the relevant condition or waiver has been excluded or obtained.
- 6.3.2 For each Excluded Property, the Additional Chargor undertakes to:
 - 6.3.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of written request and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions as soon as possible;
 - 6.3.2.2 upon request, keep the Chargee informed of its progress in obtaining such consent or waiver; and

6.3.2.3 forthwith upon receipt of such consent or waiver, provide the Chargee with a copy.

6.3.3 Immediately upon receipt of any consent or waiver referred to in clause 6.3.2, the relevant formerly Excluded Property shall stand charged to the Chargee under clause 6.1.1, clause 6.1.2.1, clause 6.1.2.2 or clause 6.1.2.3 (*Fixed security*) of the Security Agreement as the case may be. If required by the Chargee at any time following receipt of that waiver or consent, the Additional Chargor will execute a valid fixed charge in such form as the Chargee shall require.

7 **Land Registry restriction**

In respect of any Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or the Security Agreement and/or pursuant to clause 9.11.2 (*Property acquisitions*) of the Security Agreement, the Additional Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [*name of Chargee*] referred to in the charges register or their conveyancer".

8 **Miscellaneous**

With effect from the date of this deed:

8.1 the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this deed);

8.2 any reference in the Security Agreement to this deed and similar phrases will include this deed and all references in the Security Agreement to schedule 2 (*Properties currently owned*) (or any part of it) will include a reference to schedule 1 (*Properties currently owned*) to this deed (or relevant part of it).

9 **Governing law**

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

10 **Enforcement**

10.1 **Jurisdiction of English courts**

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

10.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

10.1.3 This clause 10 is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

10.2 **[Service of process]**

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor:

- 10.2.1 irrevocably appoints [] as its agent for service of process in relation to any proceedings before the English courts in connection with any Loan Note Document; and
- 10.2.2 agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned.]

11 **Counterparts**

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

In Witness whereof this deed has been executed by the Additional Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Chargee.

SCHEDULE 1

Properties currently owned

Part A: Registered Land

Part B: Unregistered Land

SCHEDULE 2

Accounts

Trading Accounts

Chargor	Bank	Account name	Account number	Sort code

SIGNATORIES (TO DEED OF ACCESSION)

The Additional Chargor

EXECUTED as a DEED and)
DELIVERED by [])
[LIMITED] acting by:)

Director

in the presence of:)

Signature:

Name:

Address:

Occupation:

The Chargee

SIGNED by)
for and on behalf of [SECURITY)
AGENT]:)

SCHEDULE 5

PART 1

Form of notice to insurers

From: [relevant Chargor] (the "**Company**")

To: [insurer]

Date:

Dear Sirs

We refer to the [describe policy and its number] (the "**Policy**").

We hereby give notice that, pursuant to a security agreement dated [] (the "**Security Agreement**"), we have assigned to Richard Gerald Thompson (the "**Chargee**") all our right, title, interest and benefit in and to the Policy.

We irrevocably authorise and instruct you from time to time:

- (a) to disclose to the Chargee without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Chargee may at any time and from time to time request;
- (b) to hold all sums from time to time due and payable by you to us under the Policy to the order of the Chargee;
- (c) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Policy, the sums payable to us from time to time under the Policy or the debts represented thereby which you receive at any time from the Chargee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
- (d) to send copies of all notices and other information given or received under the Policy to the Chargee.

We are not permitted to receive from you, otherwise than through the Chargee, any amount in respect of or on account of the sums payable to us from time to time under the Policy or to agree any amendment or supplement to, or waive any obligation under, the Policy without the prior written consent of the Chargee.

This notice may only be revoked or amended with the prior written consent of the Chargee.

Please confirm by completing the enclosed acknowledgement and returning it to the Chargee (with a copy to us) that:

- (a) you accept the instructions and authorisations contained in this notice;
- (b) you have not, at the date the enclosed acknowledgement is returned to the Chargee, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and you will notify the Chargee promptly if you should do so in future;

- (c) you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Chargee from time to time;
- (d) you will not exercise any right to terminate, cancel, vary or waive the Policy or take any action to amend or supplement the Policy without first giving 14 days' written notice to the Chargee; and
- (e) that the Chargee's interest as mortgagee is noted on the Policy.

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
[]

PART 2

Form of acknowledgement from insurers

From: [insurer]

To: Richard Gerald Thompson (the "**Chargee**")

Date:

Dear Sirs

We acknowledge receipt of a notice dated [] (the "**Notice**") and addressed to us by [] (the "**Company**") regarding the Policy (as defined in the Notice).

We confirm that:

- (a) we accept the instructions and authorisations contained in the Notice;
- (b) we have not, at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy and we will notify the Chargee promptly if you should do so in future;
- (c) we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Chargee from time to time;
- (d) we will not exercise any right to terminate, cancel, vary or waive the Policy or take any action to amend or supplement the Policy without first giving 14 days' written notice to the Chargee; and
- (e) the Chargee's interest as mortgagee is noted on the Policy.

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

Yours faithfully

[insurer]

SCHEDULE 6

Notice – Assigned Agreement

PART 1

Form of notice to counterparties of Assigned Agreements

From: [relevant Chargor]

To: [counterparty]

Date:

Dear Sirs

We refer to the [describe relevant Assigned Agreement] (the “**Agreement**”).

We hereby notify you that pursuant to a security agreement dated [] (the “**Security Agreement**”) we have assigned to Richard Gerald Thompson (the “**Chargee**”) absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to the Agreement.

We further notify you that:

- (a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Chargee;
- (b) subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Chargee. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Chargee;
- (c) you are authorised to disclose information in relation to the Agreement to the Chargee on request;
- (d) you must pay all monies to which we are entitled under the Agreement direct to the Chargee (and not to us) unless the Chargee otherwise agrees in writing;
- (e) the provisions of this notice may only be revoked with the written consent of the Chargee.

Please sign and return the enclosed copy of this notice to the Chargee (with a copy to us) by way of confirmation that:

- (i) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

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
[]

PART 2

Form of acknowledgement from counterparties of Assigned Agreements

From: [counterparty]

To: [Chargee]

Copy to: [relevant Chargor]

Date:

We hereby acknowledge receipt of the notice dated [], a copy of which is attached to the acknowledgment (the "**Notice**") and confirm the matters set out in paragraphs (i) and (ii) of the Notice.

.....
for and on behalf of
[counterparty]

SCHEDULE 7

Notice – third party bank

PART 1

Form of notice of charge to third party bank

To: [name and address of third party bank]

Attention: []

Date:

Dear Sirs

We hereby give you notice that by a security agreement dated [] 2021 (the "**Security Agreement**") (a copy of which is attached) we have charged to Richard Gerald Thompson (the "**Chargee**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those sums:

[]

(together the "**Accounts**").

We hereby irrevocably instruct and authorise you:

- 1 to credit to each Account all interest from time to time earned on the sums of money held in that Account;
- 2 to disclose to the Chargee, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Chargee may, at any time and from time to time, request you to disclose to it;
- 3 to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Chargee;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Chargee at any time and from time to time; and
- 5 to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Chargee without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

By counter-signing this notice, the Chargee confirms that we may make withdrawals from the Accounts until such time as the Chargee shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Chargee.

These instructions cannot be revoked or varied without the prior written consent of the Chargee.

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

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Chargee with a copy to ourselves.

Yours faithfully

By:
for and on behalf of
[*relevant Chargor*]

Counter-signed by:

.....
for and on behalf of
[*Chargee*]

PART 2

Form of acknowledgement from third party bank

To: [name and address of Chargee]

Date:

Dear Sirs

We confirm receipt of a notice dated [] (the "**Notice**") from [relevant Chargor] (the "**Company**") of a charge, upon the terms of a Security Agreement dated [] 2021, over all the Company's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto:

[]

(together the "**Accounts**").

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
- 2 we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
- 3 [we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;]
- 4 until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and
- 5 we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

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

Yours faithfully

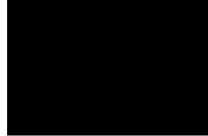
.....
for and on behalf of
[third party bank]

SIGNATORIES (TO SECURITY AGREEMENT)

The Original Chargors

Spring Capital Group Holdings Limited

EXECUTED as a DEED and)
DELIVERED by **SPRING CAPITAL**)
GROUP HOLDINGS LIMITED)
acting by:)
Malcolm Arthur



Director

in the presence of:)

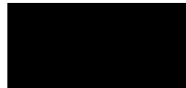
Signature:



Name:

Ben Hewetson

Address:



Occupation:

Company Director

Address:

Fax:

Attention:

Kashmir Holdings Limited

EXECUTED as a DEED by)
KASHMIR HOLDINGS LIMITED)
a company incorporated in Guernsey, by)
Malcolm Arthur)
being a person who, in accordance with)
the laws of that territory, is acting under)
the authority of the company)



Address:

Fax:

Attention:

Spring Capital Partners Limited

EXECUTED as a DEED and
DELIVERED by **SPRING CAPITAL
PARTNERS LIMITED** acting by:

)
)
)



Malcolm Arthur

Director

in the presence of:

)



Signature:

Name:

Ben Hewetson

Address:



Occupation:

Company Director

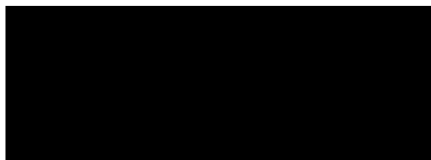
Address:

Fax:

Attention:

The Chargee

SIGNED by **RICHARD**)
GERALD THOMPSON)



Address: St Leonards, Les Eturs, castle, Guernsey GY5 7DT

Fax: 01481 259352

Attention: Richard Thompson