



Registration of a Charge

Company name: **MACSCO 22 LIMITED**

Company number: **07246104**



X7YOFM1

Received for Electronic Filing: **05/02/2019**

Details of Charge

Date of creation: **31/01/2019**

Charge code: **0724 6104 0002**

Persons entitled: **LLOYDS BANK PLC (AS SECURITY AGENT AND TRUSTEE FOR THE BENEFICIARIES)**

Brief description: **N/A**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

THOMAS ALMOND



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7246104

Charge code: 0724 6104 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st January 2019 and created by MACSCO 22 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th February 2019 .

Given at Companies House, Cardiff on 6th February 2019

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

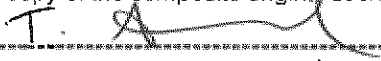
MACSCO 22 LIMITED
(as Chargor)

- and -

LLOYDS BANK PLC
(as Security Agent)

LIMITED RECOURSE SHARE CHARGE
RELATING TO THE ENTIRE ISSUED SHARE CAPITAL OF PEEL HUNT HOLDINGS
LIMITED

Save for material redacted pursuant to s859G of the Companies Act 2006, I certify that this is a true and complete copy of the composite original seen by me


Name: Thomas Almond

Title: Solicitor

Date: 31 January 2019



Ref: F3/MJC/LAUDERRI/10143L.006936

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

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BETWEEN:

- (1) **Macscos 22 Limited** a company incorporated in England and Wales with registered number 07246104 (the "**Chargor**"); and
- (2) **Lloyds Bank plc** as Security Agent.

WITNESSES as follows:

1. **DEFINITIONS AND INTERPRETATION**

- 1.1 **Definitions:** Unless the context otherwise requires, words or expressions defined in the Facilities Agreement shall have the same meanings in this Charge and this construction shall survive the termination of the Facilities Agreement. In addition, in this Charge:

"**Beneficiaries**" means each Finance Party and any Receiver or Delegate;

"**Charged Assets**" means the Shares and the Derivative Assets and includes all rights, benefits and sums now or in the future accruing to the Chargor in connection with the Shares and the Derivative Assets;

"**Company**" means Peel Hunt Holdings Limited, a limited liability company incorporated in England and Wales with registered number 02320252;

"**Declared Default**" means that an Event of Default has occurred and as a result the Agent has taken steps to exercise any of its respective rights under Clause 24.20 (*Acceleration*) of the Facilities Agreement;

"**Derivative Assets**" includes:

- (a) allotments, rights, money or property arising at any time in relation to any of the Shares by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (b) dividends, distributions, interest and other income paid or payable in relation to any of the Shares; and
- (c) stock, shares and securities offered in addition to or substitution for any of the Shares;

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Security Agent;

"**Document**" includes any transfer, renunciation, proxy, mandate, legal or other charge, mortgage, assignment, deed or other document;

"**Event of Default**" means an Event of Default under and as defined in the Facilities Agreement;

"**Facilities Agreement**" means the facilities agreement dated on or about the date of this Charge and entered into between PH Capital Limited (as the Company) and Lloyds Bank plc (as Arranger, Original Lender, Agent and Security Agent) (each term as defined therein);

"**Finance Document**" means the Facilities Agreement, any Accession Letter, any Compliance Certificate, any Fee Letter, any Resignation Letter, any Selection Notice, any

Transaction Security Document, Utilisation Request and any other document designated as a "Finance Document" by the Agent and PH Capital Limited;

"Finance Party" means the Agent, the Security Agent, the Arranger and the Lenders;

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No.2) Regulations 2003 as amended;

"Liability" any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise;

"Original Shares" means the 51,303,595 shares of £0.10 each in the issued share capital of the Company owned by the Chargor;

"Party" a party to this Charge;

"Receiver" a receiver and manager appointed under Clause 17 (*Appointment of a Receiver*) and (where the context requires or permits) includes any substituted receiver and manager;

"Relevant System" has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether or not established in the United Kingdom or elsewhere) providing means for the deposit of and clearance of transactions in shares, stock and other investments;

"Secured Sums" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and whether as principal or surety or in any other capacity whatsoever) of each Obligor to all or any of the Beneficiaries under each or any of the Finance Documents, in each case together with:

- (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any Finance Document; and
- (b) all money, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents;

"Security" includes any mortgage, charge, pledge, lien, hypothecation, assignment or deposit by way of security or any other agreement or arrangement having the effect of providing or giving security or preferential ranking to a creditor (including set-off and title retention arrangements);

"Security Agent" means Lloyds Bank plc acting as security agent and trustee for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Finance Documents; and

"Shares" means the Original Shares and all other shares, stock and securities in the Company owned by the Chargor while any Secured Sums are outstanding.

1.2 Interpretation: Unless the context otherwise requires, the interpretative provisions set out in the paragraphs below shall apply in this Charge.

- (a) References to any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees.

- (b) **"Including"** and **"in particular"** shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing".
 - (c) A **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.
 - (d) **"Variation"** includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and **"vary"** and **"varied"** shall be construed accordingly.
 - (e) **"Writing"** includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Charge to be signed and **"written"** has a corresponding meaning.
 - (f) Subject to Clause 29.4 (*Variations*), references to this Charge or to any other document (including any Finance Document) include references to this Charge or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Charge or such other document or to the nature or amount of any facilities made available under such other document.
 - (g) References to uncertificated shares are to shares the title to which can be transferred by means of an electronic or other entry in a Relevant System and references to certificated shares are to shares which are not uncertificated shares.
 - (h) The singular shall include the plural and vice versa and any gender shall include the other genders.
 - (i) Clauses, paragraphs and Schedules shall be construed as references to Clauses and paragraphs of, and Schedules to, this Charge.
 - (j) Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances.
 - (k) Headings in this Charge are inserted for convenience and shall not affect its interpretation.
 - (l) **"Blank stock transfer form"** means a stock transfer form executed by two directors or a director and the secretary of the Chargor but with the sections relating to the consideration and the transferee left blank.
- 1.3 **Companies Acts:** Expressions defined in the Companies Act 2006 (and not redefined in this Charge) shall have the same meanings in this Charge, except that the expression "company" shall include a body corporate established outside Great Britain.
2. **COVENANT FOR PAYMENTS**
- 2.1 **Covenant to pay:** Subject to Clause 2.2, the Chargor (as primary obligor and not merely as surety) covenants with the Security Agent that it will pay or discharge the Secured Sums at the times and in the manner provided in the relevant Finance Documents on the Security Agent's written demand.

- 2.2 **Limited Recourse:** The recourse of the Security Agent against the Chargor in respect of the Secured Sums is limited to the rights of enforcement and recovery against the Charged Assets and accordingly the Security Agent agrees that the total amount recoverable against the Chargor under this Charge shall be limited to the proceeds received by the Security Agent realising the Charged Assets in accordance with this Charge.
- 2.3 **Proviso:** The covenants contained in this Clause and the security created by this Charge shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law.
- 2.4 **Third Party Charge Protections:**
- (a) **Reinstatement:** If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Beneficiary in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Charge will continue or be reinstated as if the discharge, release or arrangement had not occurred.
 - (b) **Waiver of defences:** The obligations of the Chargor under this Charge will not be affected by an act, omission, matter or thing which, but for this Clause 2.4, would reduce, release or prejudice any of its obligations under this Charge (without limitation and whether or not known to it or any Beneficiary) including:
 - (i) any time, waiver or consent granted to, or composition with, the Chargor, any Obligor or other person;
 - (ii) the release of the Chargor, any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor, an Obligor or any other person;
 - (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security including without limitation, any change in the purpose of; any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
 - (vii) any insolvency or similar proceedings.

- (c) **Guarantor Intent:** Without prejudice to the generality of Clause 2.4(b) (*Waiver of Defences*), the Chargor expressly confirms that it intends that the Secured Sums for which it grants security under this Charge shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.
- (d) **Immediate recourse:** The Chargor waives any right it may have of first requiring any Beneficiary (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before enforcing this Charge. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.
- (e) **Appropriations:** Until all Secured Sums have been irrevocably paid in full, each Beneficiary (or any trustee or agent on its behalf) may refrain from applying or enforcing any other moneys, security or rights held or received by that Beneficiary (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same.
- (f) **Deferral of the Chargor's rights:** Until all Secured Sums have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations or of a liability arising under this Charge:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Beneficiary;
 - (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Security, guarantee, undertaking or indemnity has been given pursuant to, or in connection with, the Finance Documents;
 - (v) to exercise any right of set-off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any Beneficiary.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Sums to be repaid in full on trust for the Beneficiaries and

shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with the Finance Documents.

2.5 Demands:

- (a) The making of one demand shall not preclude the Security Agent from making any further demands.
- (b) Any third party dealing with the Security Agent or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Charge.

3. CHARGING CLAUSE

3.1 Mortgages and Charges: The Chargor, with full title guarantee, charges to the Security Agent as continuing security for the payment and discharge of all Secured Sums:

- (a) by way of mortgage, the Original Shares, including all proceeds of sale derived from them;
- (b) by way of mortgage, all Shares in which the Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them;
- (c) by way of fixed charge, all Derivative Assets of a capital nature now or in the future accruing to the Chargor (whether at law or in equity) or offered to it at any time in respect of the Shares; and
- (d) by way of fixed charge, all Derivative Assets of an income nature now or in the future accruing to the Chargor (whether at law or in equity) or offered to it at any time in respect of the Shares.

3.2 Financial Collateral Arrangement: The Parties acknowledge and intend that the security provided under or pursuant to this Charge will constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

4. DEPOSIT OF DOCUMENTS

The Chargor shall deposit with the Security Agent:

- (a) on the date of this Charge, all original share certificates in respect of the Original Shares together with appropriate blank stock transfer forms. The Security Agent may at any time after the occurrence of a Declared Default, without notice to the Chargor, complete such transfers and present them for registration; and
- (b) promptly as and when received from time to time, original share certificates together with appropriate blank stock transfer forms relating to any other Shares and any other documents of title relating to any Derivative Assets.

5. VOTING POWERS AND DIVIDENDS

5.1 Before enforcement: Unless and until this Charge has become enforceable:

- (a) the Chargor shall, for so long as it remains the beneficial owner of any Charged Assets, determine how all voting powers and rights attaching to such Charged Assets are to be exercised, provided that no voting powers and rights may be exercised so as to jeopardise the value of the Charged Assets, this Charge or the interests of the Security Agent or any of the Beneficiaries under this Charge; and

- (b) all cash dividends received by the Security Agent or its nominee shall be released to the Chargor.

5.2 **After enforcement:** At any time after this Charge has become enforceable:

- (a) the Security Agent may, for the purposes of protecting its interests in relation to the Secured Sums and preserving the value of the security created by this Charge (in each case in its absolute discretion) and/or realising the security created by this Charge, exercise (but is not obliged to exercise) in the name of the Chargor or otherwise and without any further consent or authority on the part of the Chargor, all voting powers and rights attaching to the Charged Assets as it sees fit, including any rights to nominate or remove a director, as if the Security Agent were the sole beneficial owner of the Charged Assets;
- (b) all Derivative Assets shall, if received by the Chargor or any nominee of the Chargor, be held on trust for and forthwith paid or transferred to the Security Agent; and
- (c) the Chargor shall (and shall procure that its nominees shall) accept short notice for and attend any meeting of the Company, appoint proxies and exercise voting powers and rights exercisable by the holders of the Charged Assets as the Security Agent may direct from time to time, as it sees fit for the purpose of protecting its interests in relation to the Secured Sums.

For the avoidance of doubt, unless and until the Security Agent takes any step to exercise any voting powers or rights attaching to the Charged Assets after becoming entitled (but not obliged) to do so under this Clause, all such powers and rights remain with the Chargor.

6. **WARRANTIES**

The Chargor represents and warrants to the Security Agent and each Beneficiary on the date of this Charge, on the date of each Utilisation Request, on each Utilisation Date, on the first day of each Interest Period and on each date on which the Chargor acquires any additional Shares that:

- (a) **Status:** it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation and has the power to own its assets and carry on its business as it is being conducted;
- (b) **Non-conflict:** the entry into and performance by it of, and the transactions contemplated by, this Charge do not and will not conflict with:
 - (i) any law or regulation applicable to it;
 - (ii) its constitutional documents; or
 - (iii) any agreement or instrument binding upon it or any member of the Group or any member of the Group's assets or constitute a default or termination event (however described) under any such agreement or instrument or would result in any liability on the part of a Finance Party to any third party or require the creation of any security interest over any asset in favour of a third party;
- (c) **Called up and paid up:** the Original Shares are, and any Shares deposited after the date of this Charge will be, fully called up and fully paid-up and the Original

Shares represent the entire issued share capital of the Company at the date of this Charge;

- (d) **Legal and beneficial owner:** (subject to this Charge) the Original Shares are legally and beneficially owned by the Chargor, and any Shares acquired by the Chargor after the date of this Charge shall be beneficially owned by it, in each case free from any option, equity, trust or Security;
- (e) **Proper execution:** this Charge has been properly executed by it and it has taken all necessary action to authorise the execution and delivery of this Charge, which is valid and binding upon it and, subject to the Legal Reservations, enforceable in accordance with its terms; and
- (f) **No restrictions:** there are no provisions in the Company's Articles of Association or any other agreement, which restrict the transfer of any Shares or its ability to enter into this Charge, including any rights of first refusal, pre-emption rights, requirements for consent or any rights restricting or affecting the voting rights on or the disposal of any of the Shares, or (if such provisions exist) they have been varied or waived to enable this Charge to be enforced free from any such restriction or right.

7. **NEGATIVE PLEDGE AND OTHER RESTRICTIONS**

The Chargor shall not, without the prior written consent of the Security Agent:

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of the Charged Assets;
- (b) sell or assign, or grant any interest in, any of the Charged Assets, or part with possession or ownership of them, or purport or agree to do so;
- (c) cause or permit any rights attaching to the Charged Assets to be varied or abrogated (and in particular, not permit the Company's constitutional documents to be amended);
- (d) cause or permit any of the Charged Assets to be consolidated, sub-divided or converted or the other capital of the Company to be re-organised, exchanged or repaid; or
- (e) give an instruction for any of its certificated Shares to be converted into uncertificated form.

8. **POSITIVE COVENANTS**

The Chargor covenants that it shall:

- (a) **Calls:** promptly pay direct to the Company any calls on any Charged Assets which (despite Clause 6(a) (*Warranties*)) are not fully paid and if it defaults the Security Agent may (but is not obliged to) do so on behalf of the Chargor (and any amount so expended shall be deemed an expense);
- (b) **Notices:** forward to the Security Agent any notices, reports, accounts, circulars and other documents relating to the Charged Assets as soon as they are received; and

- (c) **Dematerialisation:** execute and deliver to the Security Agent or as it directs such documents, transfers and powers of attorney, give such instructions and perform such other acts as the Security Agent may reasonably require at any time to convert any of the Chargor's certificated Shares into uncertificated form (or vice versa).

9. **FURTHER ASSURANCE**

The Chargor shall at any time (and from time to time) if required by the Security Agent, promptly sign, seal, deliver and complete all documents and do all acts and things which the Security Agent is entitled by the terms of this Charge to require for:

- (a) perfecting or improving its title to and Security over any Charged Assets; or
- (b) vesting or enabling the Security Agent to vest any Charged Assets in itself or its nominee or in any purchaser or to facilitate the sale or other disposal of any of the Charged Assets; or
- (c) the exercise of any of the rights or powers attaching to any Charged Assets conferred on the Security Agent by this Charge,

such documents to be prepared by or on behalf of the Security Agent (at the cost of the Chargor) and to be in such form as the Security Agent may require.

10. **RIGHT OF APPROPRIATION**

- 10.1 **Right of Appropriation:** The Security Agent may, on or at any time after the security constituted by this Charge becomes enforceable, by notice in writing to the Chargor appropriate with immediate effect all or any Charged Assets comprising financial collateral which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) in or towards the discharge of the Secured Sums, whether such Charged Assets are held by the Security Agent or otherwise.

- 10.2 **Value:** The value of any financial collateral appropriated under clause 10.1 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised price source or such other process as the Security Agent may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent;

as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent.

- 10.3 **Surplus or shortfall:** The Security Agent will account to the Chargor for any amount by which the value of the appropriated Charged Assets exceeds the Secured Sums and the Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Charged Assets is less than the Secured Sums.

- 10.4 **Confirmation:** The Chargor agrees that (a) all Charged Assets referred to in Clause 10.1 have been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the Security Agent or a person acting on its behalf;

and (b) the method of valuing such Charged Assets under Clause 10.2 is commercially reasonable.

11. CONTINUING SECURITY

This Charge shall be a continuing security for the Beneficiaries, notwithstanding any intermediate payment or settlement of accounts or other matter whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, or other rights exercisable by any Beneficiary as banker against the Chargor or any Security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Beneficiary.

12. CONSOLIDATION OF MORTGAGES

Section 93 of the Law of Property Act 1925 (restriction on consolidation of mortgages) shall not apply to this Charge.

13. STAMP DUTY

The Chargor shall pay all present and future stamp, registration and similar taxes or charges which may be payable or determined to be payable in any jurisdiction in connection with the execution, delivery, performance or enforcement of this Charge or any judgment given in connection with this Charge and shall indemnify each Beneficiary, the Security Agent and any Receiver against any and all liabilities including penalties with respect to or resulting from its delay or omission to pay any such stamp, registration and similar taxes or charges.

14. ADDITIONAL OR FUTURE SECURITY

This Charge is in addition to and shall not affect (or be affected by) any guarantees, indemnities or Security whatsoever which the Security Agent may hold now or in the future for any part of the Secured Sums and may be enforced without first having recourse to any such guarantee, indemnity or Security.

15. OPENING OF NEW ACCOUNTS

15.1 Creation of new account: On receiving notice that the Chargor has granted Security over or otherwise encumbered or disposed of any Charged Assets other than as expressly permitted by the terms of the Finance Documents, a Beneficiary may rule off all its accounts and open a new account or accounts for the Chargor in its books and (without prejudice to that Beneficiary's right to combine the accounts).

15.2 Credits to new account: If a Beneficiary does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to that Beneficiary shall be credited (or treated as having been credited) to a new account and shall not operate to reduce the Secured Sums.

16. POWERS OF THE SECURITY AGENT

16.1 This security shall be immediately enforceable at any time after:

- (a) the occurrence of a Declared Default; or
- (b) (i) a step or proceeding is taken for the appointment of an administrator, liquidator or provisional liquidator in relation to the Chargor;

- (ii) notices to creditors are sent out under section 98 of the Insolvency Act 1986 in relation to the Chargor;
- (iii) a proposal is made in relation to the Chargor for a voluntary arrangement under Part I of the Insolvency Act 1986;
- (iv) a step or proceeding is taken in relation to the Chargor with a view to seeking a moratorium; or
- (v) a request has been made by the Chargor to the Security Agent for the appointment of a Receiver or an administrator over its assets,

or any procedure or step analogous to any of the above circumstances is taken in any jurisdiction.

16.2 The provisions of the Law of Property Act 1925 relating to the power of sale conferred by that Act are:

- (a) varied so that Section 103 shall not apply to this Charge; and
- (b) extended to authorise the Security Agent at any time after this Charge becomes enforceable to sell or otherwise dispose of (or instruct any nominee to do so) the Charged Assets or any part of them or (as it may elect and without prejudice to any later exercise of this power) the whole or part of the equitable interest divested of the legal title for such consideration (which may comprise or include shares or debentures), upon such terms and generally in such manner as the Security Agent thinks fit.

17. APPOINTMENT OF A RECEIVER

- 17.1 **Appointment:** At any time after this security has become enforceable or if so requested by the Chargor, the Security Agent may appoint in writing any person or persons to be a receiver and manager or receivers and managers (hereinafter referred to as the "**Receiver**" which expression shall where the context admits include the plural and any substitute receiver and manager or receivers and managers) of all or any part of the Charged Assets, as the Security Agent may choose in its entire discretion.
- 17.2 **Power to act separately:** Where more than one Receiver is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary.
- 17.3 **Receiver's remuneration:** The Security Agent may from time to time determine the remuneration of a Receiver.
- 17.4 **Removal of Receiver:** The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Charged Assets of which he is the Receiver.
- 17.5 **Further appointments of a Receiver:** Such an appointment of a Receiver shall not preclude:
- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Charged Assets over which a Receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional Receiver to act while the first Receiver continues to act.

- 17.6 **Receiver's agency:** The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until the Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or any other Beneficiary.

18. **POWERS OF A RECEIVER**

The Receiver may exercise all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 to the extent applicable to the Charged Assets and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others:

- (a) exercise all voting and other rights attaching to the Charged Assets;
- (b) make any arrangement or compromise with any Beneficiary or others as he shall think fit;
- (c) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine;
- (d) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver;
- (e) pay the proper administrative charges of any Beneficiaries in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the Chargor; and
- (f) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Assets.

19. **POWER OF ATTORNEY**

- 19.1 **Appointment of attorney:** The Chargor, by way of security and to more fully secure the performance of its obligations under this Charge, irrevocably appoints the Security Agent (whether or not a Receiver or administrator has been appointed) and any Receiver separately to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to:

- (a) do anything which the Chargor is obliged to do (but has not done) in accordance with this Charge, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) enable the Security Agent or any Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Charge or by statute in relation to this Charge or the Charged Assets.

- 19.2 **Ratification:** The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause.

- 19.3 **Sums recoverable:** All sums expended by the Security Agent or any Receiver under this Clause 19 shall be recoverable from the Chargor under Clause 18 (*Costs and expenses*) of the Facilities Agreement.

20. OTHER POWERS EXERCISABLE BY THE SECURITY AGENT

20.1 Receiver's powers: All powers of the Receiver conferred by this Charge may be exercised by the Security Agent after this Charge has become enforceable. In that event, Clause 18(d) (*Powers of Receiver*) shall be read and construed as if the words "be charged on the Charged Assets" were substituted for the words "be deemed an expense properly incurred by the Receiver".

20.2 Security Agent's powers: The Security Agent shall have no liability or responsibility to the Chargor arising out of the exercise or non-exercise of the powers conferred on it by this Clause 20, except for gross negligence or wilful default.

21. APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER

21.1 Order of priority: Any money received or realised under the powers conferred by this Charge shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims:

- (a) in or towards satisfaction of the Secured Sums in the manner applicable under the terms of the Facilities Agreement; and
- (b) as to the surplus (if any), to the person or persons entitled to it.

21.2 Suspense account: The Security Agent may, at any time after demand and until the irrevocable and unconditional payment to the Security Agent of all Secured Sums, place and keep to the credit of a suspense account any money received or realised by the Security Agent by virtue of this Charge. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any Secured Sum.

22. PROTECTION OF THIRD PARTIES

22.1 No duty to enquire: No purchaser from, or other person dealing with, the Security Agent or any Receiver shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Charge has become enforceable, or whether a Receiver has been validly appointed, or whether any event or cause has happened to authorise the Security Agent or a Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

22.2 Receipt: The receipt of the Security Agent or Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Security Agent or Receiver.

23. PROTECTION OF THE SECURITY AGENT AND RECEIVER

Neither the Security Agent nor any Receiver shall be liable for any Liability which arises out of the exercise of, or purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Charge, except if and to the extent that such Liability results from its own gross negligence or wilful default. Neither the Security Agent nor any Receiver shall be liable to account as mortgagee in possession for any of the Charged Assets.

24. **SECURITY AGENT**

24.1 **Security Agent as trustee:** The Security Agent declares itself to be a trustee of this Charge (and any other Security created in its favour pursuant to this Charge) for the Beneficiaries. The retirement of the person for the time being acting as Security Agent and the appointment of a successor shall be effected in the manner provided for in the Facilities Agreement.

24.2 **Trustee Act 2000:** The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

24.3 **No partnership:** Nothing in this Charge shall constitute or be deemed to constitute a partnership between any of the Beneficiaries and the Security Agent.

25. **INTEREST ON OVERDUE AMOUNTS**

(a) Any overdue amounts not paid in accordance with this Charge when due shall (subject to paragraph (b) below) carry interest at the rate and in accordance with the terms contained in the relevant Finance Document in relation to overdue sums or at such other rate as may be agreed between the Chargor and the relevant Beneficiary from time to time. In each case, interest shall accrue on a day to day basis to the date of irrevocable and unconditional repayment in full and, if unpaid, shall be compounded on the terms so agreed or (in the absence of such agreed terms) with quarterly rests on the Security Agent's usual quarterly interest days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.

(b) Paragraph (a) above shall not apply to the extent that default interest on such amount is charged pursuant to the relevant Finance Document and itself constitutes part of the Secured Sums.

26. **TRANSFER BY A BENEFICIARY**

(a) Any Beneficiary may at any time assign and transfer all or any of its rights in relation to this Charge to any person to whom it is permitted to transfer any of its rights under the relevant Finance Documents or otherwise grant an interest in them to any person.

(b) The Security Agent may assign and transfer all of its rights and obligations under this Charge to any replacement Security Agent appointed in accordance with the Facilities Agreement. Upon such assignment and transfer becoming effective, the replacement Security Agent shall be, and be deemed to be, acting as agent and trustee for each of the Beneficiaries (including itself) for the purposes of this Charge in replacement of the previous Security Agent.

27. **RELEASE OF SECURITY**

27.1 **Redemption:** Subject to clause 29.2 (*Avoidance of Payments*), if all Secured Sums have been unconditionally and irrevocably paid in full and none of the Beneficiaries are under any further actual or contingent liability to make advances or provide other financial accommodation to any person under any Finance Document, the Security Agent will (at the request and cost of the Chargor) execute and do all such reasonable acts as may be necessary to release the Charged Assets from the security constituted by this Charge.

27.2 **Avoidance of Payments:** If the Security Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency or other similar laws:

- (a) the liability of the Chargor under this Charge and the Security constituted by this Charge shall continue and such amount shall not be considered to have been irrevocably paid; and
- (b) the Security Agent may keep any Security held by it in respect of the Chargor's liability under the Finance Documents in order to protect the Beneficiaries against any possible claim under insolvency law for up to three years after all Secured Sums have been satisfied. If a claim is made against a Beneficiary within that period, the Security Agent may keep the Security until that claim has finally been dealt with.

28. THIRD PARTY RIGHTS

28.1 **Directly enforceable rights:** Pursuant to the Contracts (Rights of Third Parties) Act 1999:

- (a) the provisions of Clause 26 (*Transfer by a Beneficiary*) shall be directly enforceable by a Beneficiary;
- (b) the provisions of Clause 17 (*Appointment of a Receiver*) to Clause 23 (*Protection of the Security Agent and Receiver*) inclusive shall be directly enforceable by any Receiver; and
- (c) the provisions of Clause 22 (*Protection of third parties*) shall be directly enforceable by any purchaser.

28.2 **Exclusion of Contracts (Rights of Third Parties) Act 1999:** Save as otherwise expressly provided in Clause 28.1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a party, to enforce any term (express or implied) of this Charge.

28.3 **Rights of the Parties to vary:** The Parties may by agreement vary any term of this Charge (including this Clause 28) without the necessity of obtaining any consent from any other person.

29. FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS

29.1 **Delay etc:** All rights, powers and privileges under this Charge shall continue in full force and effect, regardless of any Beneficiary exercising, delaying in exercising or omitting to exercise any of them.

29.2 **Severability:** No provision of this Charge shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.

29.3 **Illegality, invalidity, unenforceability:** Any provision of this Charge which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Charge.

29.4 **Variations:** No variation of this Charge shall be valid and constitute part of this Charge, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Beneficiaries) and the Chargor.

29.5 **Consents:** Save as otherwise expressly specified in this Charge, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its entire discretion.

30. **COUNTERPARTS**

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

31. **NOTICES**

31.1 **Communications in writing:** Any communication to be made under or in connection with this Charge shall be made in writing and, unless otherwise stated, may be made by fax or letter.

31.2 **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 Charge is that identified with its name at the end of this Charge, or any substitute address, fax number or department or officer as the Chargor may notify to the Security Agent (or the Security Agent may notify to the Chargor if a change is made by the Security Agent) by not less than five Business Days' notice.

31.3 **Delivery:**

(a) Any communication or document made or delivered by one person to another under or in connection with this Charge will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 31.2 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

31.4 **Electronic Mail:** Notices under this Charge may not be served by electronic mail or other electronic means of communication, other than facsimile.

31.5 **Notification of Change:** Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to Clause 31.2 (*Addresses*) or changing its own address or fax number, the Security Agent shall notify the other parties.

32. **SECURITY AGENT**

The provisions of Clause 28 (*The Security Agent*) of the Facilities Agreement shall apply to the Security Agent's rights, obligations and duties under this Charge as if set out in this Charge in full.

33. **GOVERNING LAW**

This Charge and all non-contractual obligations arising in any way whatsoever out of or in connection with this Charge shall be governed by, construed and take effect in accordance with English law.

34. **ENFORCEMENT**

34.1 **Jurisdiction of English courts**

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with the Finance Documents expressed to be governed by English law (including a dispute regarding the existence, validity or termination of any Finance Document or any claim for set-off) or the legal relationships established by any Finance Document (a "**Dispute**"), only where such Dispute is the subject of proceedings commenced by an Obligor.
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiary, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England). If any Obligor raises a counter-claim in the context of proceedings commenced by one or more Beneficiary, that Obligor shall bring such counter-claim before the court seized of the Beneficiary's claim and no other court.
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude the Beneficiaries from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not.
- (d) To the extent allowed by law, each Obligor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum.

34.2 **Agreement:** The Chargor expressly agrees and consents to the provisions of this Clause 34.

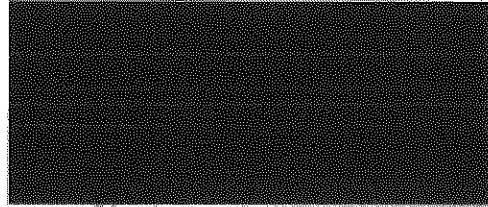
THIS CHARGE has been executed by the Chargor as a deed and signed by the Security Agent and it shall take effect on the date stated at the beginning of this document.

EXECUTION PAGE

THE CHARGOR

Executed and delivered as a
Deed by **Macscro 22 Limited**
(pursuant to a resolution by its
Board of Directors) acting by: -

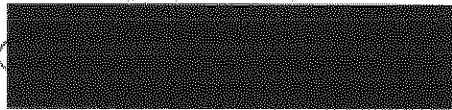
Sunil Dhall



Director

in the presence of:

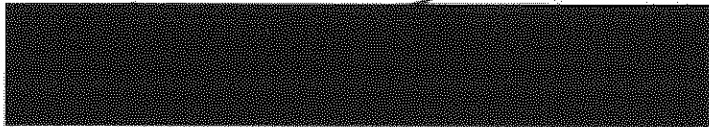
Signature of witness:



Name of witness:

Samira Schofer

Address of witness:



Notice details for the Chargor

Address

Company
Secretary, Sunil
Dhall
Moor House
120 London Wall
London EC2Y
5ET

THE SECURITY AGENT

Signed by

for and on behalf of **Lloyds**

Bank plc:

Authorised Signatory

Notice details for the Security Agent

Attention: Stuart Conroy

Address: Lloyds Bank plc

The Mound

Edinburgh EH1 1YZ

Email: stuart.conroy@lloydsbanking.com

EXECUTION PAGE

THE CHARGOR

Executed and delivered as a)
Deed by **Macsco 22 Limited**)
(pursuant to a resolution by its)
Board of Directors) acting by: -

Director

in the presence of:

Signature of witness:

Name of witness:

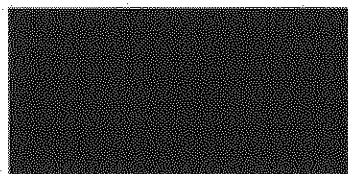
Address of witness:

Notice details for the Chargor

Address	Company
	Secretary, Sunil
	Dhall
	Moor House
	120 London Wall
	London EC2Y
	5ET

THE SECURITY AGENT

Signed by)
for and on behalf of **Lloyds**)
Bank plc:)



Authorised Signatory

Notice details for the Security Agent

Attention: Stuart Conroy
Address: Lloyds Bank plc
The Mound
Edinburgh EH1 1YZ

Email: stuart.conroy@lloydsbanking.com

