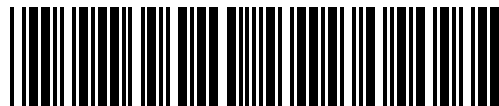




Registration of a Charge

Company Name: **VIRGIN ACTIVE ASIA PACIFIC HOLDINGS LIMITED**

Company Number: **07806208**



Received for filing in Electronic Format on the: **20/05/2021**

XA4WBO29

Details of Charge

Date of creation: **13/05/2021**

Charge code: **0780 6208 0006**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (IN ITS CAPACITY AS SECURITY TRUSTEE FOR THE SECURED PARTIES)**

Brief description: **ALL PRESENT AND FUTURE ESTATES OR INTERESTS IN ANY FREEHOLD, COMMONHOLD OR LEASEHOLD PROPERTY AND ALL PRESENT AND FUTURE INTELLECTUAL PROPERTY OWNED BY THE COMPANY (SUBJECT TO ANY EXCLUSION BEING SATISFIED), IN EACH CASE AS DEFINED IN THE DEBENTURE REGISTERED BY THIS FORM MR01 (THE "DEBENTURE"). FOR MORE DETAILS PLEASE REFER TO THE DEBENTURE.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **BENJAMIN LEWIS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7806208

Charge code: 0780 6208 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th May 2021 and created by VIRGIN ACTIVE ASIA PACIFIC HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th May 2021 .

Given at Companies House, Cardiff on 21st May 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**

**VIRGIN ACTIVE INVESTMENT HOLDINGS LIMITED (AND
OTHERS)**

(as Chargors)

- and -

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

(as Security Agent)

SUPPLEMENTAL DEBENTURE

**THIS DEED IS ENTERED INTO WITH THE BENEFIT OF (AND SUBJECT TO THE TERMS
OF) THE INTERCREDITOR AGREEMENT (AS DEFINED HEREIN)**



Matter ref 1R4537.001638
F1/TA/LEWISB/1084275

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

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THIS DEED is made on

13 May

2021

BETWEEN:

- (1) **The Companies** whose respective names and company numbers appear in Schedule 1 (*The Chargors*) (collectively the "**Chargors**" and each a "**Chargor**"); and
- (2) **HSBC Corporate Trustee Company (UK) Limited** as security trustee for the Secured Parties (the "**Security Agent**").

WHEREAS:

- (A) Each Chargor enters into this Deed in connection with:
 - (a) a facilities agreement originally dated 28 June 2017 (as amended by an amendment and waiver letter dated 12 June 2020, an Additional Facility Notice dated 15 June 2020, an amendment and waiver letter dated 3 March 2021, an amendment and waiver letter dated 10 March 2021 and an Additional Facility Notice dated 10 March 2021 and as further amended and restated on or about the date of this Deed) and made between (i) Virgin Active Investment Holdings Limited (the "**Parent**"), (ii) Virgin Active Holdings Limited (the "**Company**") (iii) the subsidiaries of the Parent listed in part I of Schedule 1 as original borrowers and original guarantors, (iv) the financial institutions listed therein as Bookrunners and Mandated Lead Arrangers, (v) the financial institutions listed therein as Arrangers, (vi) the financial institutions listed in part II of Schedule 1 as lenders, (vi) HSBC Bank plc as agent of the other Finance Parties (as defined therein) and (vii) HSBC Corporate Trustee Company (UK) Limited as the Security Agent (the "**Senior Facilities Agreement**");
 - (b) a facility agreement dated on or about the date of this Deed between the Parent, the Company, Brait Capital International Limited (as Junior Agent), and Brait Capital International Limited and Virgin Holdings Limited (as Junior Lenders) (the "**Junior Facility Agreement**"); and
 - (c) an intercreditor agreement originally dated 28 June 2017 as amended and restated on or about the date of this Deed and made between, amongst others, the Parent, the Company and the Security Agent.
- (B) The Board of Directors of each Chargor is satisfied that the giving of the supplemental security contained or provided for in this Deed is in the interests of that Chargor and each Board has passed a resolution to that effect.
- (C) Pursuant to the terms of the Original Security Agreements (as defined below), the Chargors have created Security over certain of their assets as security for, among other things, the present and future obligations and liabilities of each Chargor under the Senior Finance Documents.
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Senior Facilities Agreement shall, unless otherwise defined in this Deed, have the same meanings when used in this Deed and, in addition, in this Deed:

"Charged Property" means all the assets of each Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed (including, for the avoidance of doubt, any assets subject to an Exclusion);

"Debt Proceeds" means any proceeds of any book debts and other debts or monetary claims (including any chose in action which may give rise to a monetary claim) owing to any Chargor (including, without limitation, any sums of money received by any Chargor from any of the assets charged under Clauses 3.2(g) and/or 3.2(h) (*Charges*));

"Declared Default" means an Event of Default which has occurred and is continuing and notice of such Event of Default and of the intention to enforce any security has been given by the Agent and/or the Junior Agent (as the case may be) pursuant to clause 28.23 (*Acceleration*) of the Senior Facilities Agreement and/or clause 22.23 (*Acceleration*) of the Junior Facility Agreement;

"Delegate" means any person appointed by the Security Agent or any Receiver pursuant to Clauses 12.2 to 12.4 (*Delegation*) and any person appointed as attorney of the Security Agent and/or any Receiver or Delegate;

"Event of Default" means an Event of Default under and as defined in the Senior Facilities Agreement and/or an Event of Default under and as defined in the Junior Facility Agreement;

"Excluded Shares" means all shares owned by (i) Esporta Health & Fitness Limited and (ii) Esporta Tennis Clubs Limited and all shares in a Group company incorporated outside of England and Wales to the extent that such shares are or will become, in accordance with the terms of the Finance Documents, subject to the Transaction Security under the laws of the jurisdiction of incorporation of that company;

"Exclusion" means (i) a legal, valid and binding restriction in respect of any asset held by any Chargor which either precludes absolutely the creation of Security over that asset or requires the prior consent of any third party to the creation of Security over that asset or (ii) in respect of any leasehold property, a requirement to give the landlord notice of the intention to create a charge over such leasehold property prior to the creation of Security over that asset;

"Expenses" means all costs (including legal fees), charges, expenses and damages sustained or incurred by the Security Agent or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of any Chargor under the terms of this Deed) or by law in each case on a full indemnity basis;

"Finance Document" means each Senior Finance Document and each Junior Finance Document;

"Insurances" means the contracts and policies of insurance or assurance (including, without limitation, life policies and the proceeds of them) from time to time taken out by or for the benefit of any Chargor or in which any Chargor from time to time has an interest, together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy;

"Intellectual Property" means:

- (a) any patents, utility models, trade marks, service marks, designs, business names, copyrights, database rights, design rights, registered designs, domain names, moral rights, inventions, confidential information, trade secrets, knowhow and all other intellectual property rights throughout the world and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications (and all goodwill associated with such applications) and rights to use such assets of each member of the Group, including all rights under any agreements relating to the use or exploitation of any such rights, which may now or in the future subsist;

"Intercreditor Agreement" means the intercreditor agreement dated 28 June 2018, as amended and restated on or about the date of this Deed, between, among others, the Parent, the Obligors, the Company, the Agent, the Junior Agent, the Security Agent, the Lenders and the Junior Lenders (as defined therein);

"Junior Agent" means the Agent under and as defined in the Junior Facility Agreement;

"Junior Finance Document" means the Junior Facility Agreement, the Settlement Agreement, any Accession Deed, any Compliance Certificate, any Fee Letter, the Intercreditor Agreement, any Selection Notice, any Transaction Security Document, any Utilisation Request and any other document designated as a "Finance Document" by the Agent and the Borrower (and for this purpose terms referred to in this definition shall have the meanings given to them in the Junior Facility Agreement);

"Junior Finance Party" means the Junior Agent, the Security Agent and each Lender (under and as defined in the Junior Facility Agreement);

"Liability Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

"LPA" means the Law of Property Act 1925;

"Mortgaged Property" means any freehold, commonhold or leasehold property the subject of the security constituted by this Deed and references to any "Mortgaged Property" shall include references to the whole or any part or parts of it;

"Original Security Agreements" means:

- (a) an English law governed debenture entered into by each Chargor and the Security Agent on 30 June 2017; and
- (b) an English law governed debenture entered into by Virgin Active Asia Pacific Holdings Limited and the Security Agent on 28 July 2017;

"Party" means a party to this Deed;

"Planning Acts" means all legislation from time to time regulating the development, use, safety and control of property including, without limitation, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act

2004 and any other instrument, plan, regulation, permission or direction made or issued under any such legislation;

"Premises" means all buildings and erections from time to time situated on or forming part of any Mortgaged Property;

"Receiver" means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed;

"Related Rights" means in relation to the Securities, all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise;

"Satisfied" means, in relation to an Exclusion (i) the legal, valid and binding satisfaction or removal of that Exclusion as a result of the granting of consent by, or the agreement of, all relevant third parties; or (ii) in respect of any leasehold property, the giving of any notice required and the expiration of any required notice period under the terms of the relevant lease, save where the relevant landlord's consent is required;

"Secured Liabilities" means all present and future indebtedness, moneys, obligations and liabilities of each Obligor to all or any Secured Parties under the Finance Documents (including this Deed), in whatever currency denominated, whether actual or contingent and whether owed jointly or severally or as principal or as surety or in some other capacity, including any liability in respect of any further advances or variations made under the Finance Documents, together with all Expenses and all interest under Clause 2.2 (*Interest*);

"Security" has the meaning given to the term "Security" in the Senior Facilities Agreement or (on and after the Senior Discharge Date) the Junior Facility Agreement;

"Secured Party" means each Senior Finance Party, each Junior Finance Party and any Receiver or Delegate;

"Securities" means, except for the Excluded Shares, all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of any Chargor, including, without limitation, any of the same specified in Schedule 3 (*Securities*), together with all property and rights of any Chargor in respect of any account held by or for that Chargor as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere;

"Senior Discharge Date" has the meaning given to that term in the Intercreditor Agreement.

"Senior Finance Document" means the Senior Facilities Agreement, any Accession Deed, any Ancillary Document, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Intercreditor Agreement, an Additional Facility Notice, an Additional Facility Accession Undertaking, any Selection Notice, any Transaction Security Document, any Utilisation Request and any other document designated as a "Finance Document" by the Agent and the Parent and/or the Company;

"Senior Finance Party" means the Agent, an Arranger, the Security Agent, a Lender, an Issuing Bank, a Hedge Counterparty and an Ancillary Lender; and

"Specified Contracts" means each of the contracts specified in Schedule 4 (*Specified Contracts*).

1.2 Construction

Any reference in this Deed to:

- (a) any Party or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, shall include any person for the time being appointed as additional security trustee pursuant to the Intercreditor Agreement;
- (b) **"assets"** includes present and future properties, revenues and rights of every description;
- (c) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (d) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (e) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having force of law being a regulation which people subject thereto are accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
- (f) a provision of law is a reference to that provision as amended or re-enacted.

1.3 A reference in this Deed to any Clause or Schedule shall, unless otherwise stated, be to a clause or schedule contained in this Deed.

1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:

- (a) the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset;
- (b) the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset; and
- (c) in respect of any Mortgaged Property, all Premises and all fixtures and fittings (including trade fixtures and fittings and tenants' fixtures and fittings) from time to time in or on that Mortgaged Property.

1.5 Each term in any Finance Document is, to the extent not set out in or otherwise incorporated into this Deed, deemed to be incorporated into this Deed insofar as is necessary to comply with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989 but, except

where stated otherwise, if there is any conflict between that incorporated term and any other term of this Deed that other term shall prevail.

- 1.6 Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned, whether or not as a result of any of the same:
- (a) there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
 - (b) any additional, further or substituted facility to or for such facility is provided;
 - (c) any rate of interest, commission or fees or relevant purpose is changed;
 - (d) the identity of the parties is changed;
 - (e) the identity of the providers of any security is changed;
 - (f) there is an increased or additional liability on the part of any person; or
 - (g) a new agreement is effectively created or deemed to be created.
- 1.7 Any reference in this Deed to this "**Deed**" shall be deemed to be a reference to this Deed as a whole and not limited to the particular Clause, Schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended, substituted or restated from time to time.
- 1.8 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.9 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.10 It is intended that this document shall take effect as and be a deed of each Chargor notwithstanding the fact that a Party may only execute this document underhand and the Security Agent may not execute this document as a deed.
- 1.11 Any change in the constitution of the Security Agent or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.
- 1.12 In determining whether or not the Secured Liabilities remain outstanding and/or have been discharged or paid in full, each Party shall act reasonably and shall disregard any contingent liabilities (such as the risk of clawback flowing from a preference) except to the extent that such Party believes that there is a reasonable likelihood that those contingent liabilities will become actual liabilities.
- 1.13 **Third Party Rights**
- (a) Pursuant to the Contracts (Rights of Third Parties) Act 1999:

- (i) the provisions of Clause 17 (*Set-Off*) shall be directly enforceable by a Secured Party;
 - (ii) the provisions of Clause 10 (*Appointment of Receiver and Administrator*) to Clause 16 (*No Liability as Mortgagee in Possession*) inclusive shall be directly enforceable by any nominee or Receiver; and
 - (iii) the provisions of Clause 14 (*Protection of Purchasers*) shall be directly enforceable by any purchaser.
- (b) Save as otherwise expressly provided in paragraph (a) above, 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 Deed.
- (c) The Parties (or the Company, on behalf of the Chargors, and the Security Agent (on behalf of the Secured Parties)) may by agreement vary any term of this Deed (including this Clause 1.13) without the necessity of obtaining any consent from any other person.

1.14 **No breach of Original Security Agreements**

The Parties agree that no breach of the Original Security Agreements shall arise solely by virtue of the Chargors entering into this Deed.

2. **COVENANT TO PAY**

2.1 **Covenant to Pay**

Each Chargor (as primary obligor and not merely as surety) covenants with the Security Agent as security trustee for the Secured Parties that it shall pay, perform and discharge its Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with the terms of the Finance Documents or, in the absence of any such express terms, on the Security Agent's written demand provided that such covenant nor the security constituted by this Deed shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

2.2 **Interest**

Each Chargor covenants with the Security Agent that if it fails to pay any amount payable by it under this Deed on the due date for payment of that amount, that Chargor shall pay interest on any amounts due under Clause 2.1 (*Covenant to Pay*) from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of that Chargor but only to the extent that (a) interest is not accruing on that amount under the Senior Facilities Agreement and the Junior Facility Agreement and (b) interest at a default rate is not otherwise being paid on that amount) at the rate and in the manner specified in clause 14.3 (*Default interest*) of the Senior Facilities Agreement and clause 9.3 (*Default interest*) of the Junior Facility Agreement, provided that, in the case of any Expense, such interest shall accrue and be payable as from the date on which the relevant Expense arose without the necessity for any demand being made for payment.

3. **FIXED SECURITY**

3.1 **Charges**

- (a) Where this Deed purports to create first ranking Security, such Security will be subject to the equivalent Security created by the Original Security Agreements until such time as the Security created by the Original Security Agreements cease to have effect.
- (b) Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Agent (as security trustee for the Secured Parties) by way of a first legal mortgage over all of that Chargor's right, title and interest in and to the freehold, commonhold and leasehold property now vested in it and (if any) specified in Schedule 2 (*Real Property*) (subject to obtaining any necessary consent to such mortgage or fixed charge (as the case may be) from any third party in accordance with the Agreed Security Principles).

3.2 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Agent (as security trustee for the Secured Parties) by way of first fixed charge (subject to obtaining any necessary consent to such mortgage or fixed charge (as the case may be) from any third party in accordance with the Agreed Security Principles) all of that Chargor's right, title and interest in and to the following assets, both present and future:

- (a) all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under Clause 3.1 (*Charges*) above);
- (b) all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
- (c) where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
- (d) all amounts, owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;
- (e) all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);
- (f) all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;
- (g) all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;

- (h) all moneys from time to time deposited in or standing to the credit of any bank account with the Security Agent or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same));
- (i) all Securities;
- (j) all Related Rights (whether derived by way of redemption, bonus, preference, option, substitutions, conversions or otherwise);
- (k) all of its goodwill and uncalled capital;
- (l) all Intellectual Property;
- (m) all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable in respect of them;
- (n) each of the Specified Contracts, together with (if any):
 - (i) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
 - (ii) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
 - (iii) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
 - (iv) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with any of the Secured Parties or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

For the purposes of the sub-licenses that are listed as items 4 and 5 in Schedule 4 (*Specified Contracts*) Virgin Active Holdings Limited consents to the security granted pursuant to this Deed over such sub-licenses by Virgin Active Health Clubs Limited (formerly Holmes Place Health Clubs Limited) and Virgin Active Limited respectively.

3.3 Assignment

- (a) Where a right or asset has been assigned under the Original Security Agreements and the same asset or right is purported to be assigned again under this Deed, that

second assignment will take effect as a fixed charge over that right or asset and will only take effect as an assignment if the relevant Security created by the Original Security Agreements ceases to have effect at a time when this Deed still has effect.

- (b) Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, assigns to the Security Agent (as security trustee for the Secured Parties) absolutely by way of a first legal assignment all of that Chargor's right, title and interest in and to the Specified Contracts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities (subject to the Original Security Agreements), charges in favour of the Security Agent (as security trustee for the Secured Parties) by way of a first floating charge all of that Chargor's undertaking and all its other property, assets and rights whatsoever, present and future, including all of its stock in trade and all of its property, assets and rights not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security pursuant to Clause 3 (*Fixed Security*).

4.2 Qualifying Floating Charge

- (a) The floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*) is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of schedule B1 to the Insolvency Act 1986.
- (b) The provisions of paragraph 14 of schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*).

4.3 Conversion by Notice

Subject to Clauses 4.7 (*Moratorium Assets*) and 4.8 (*Conversion exceptions*), the Security Agent may by notice in writing at any time to any Chargor convert the floating charge created by pursuant to Clause 4.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge (either generally or specifically as regards any assets of that Chargor specified in the notice):

- (a) on the occurrence of a Declared Default; or
- (b) if the Security Agent reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process or in order to protect or preserve the priority of that security (provided that such conversion is only in respect of the relevant Charged Property).

4.4 Automatic Conversion

Notwithstanding Clause 4.3 (*Conversion by Notice*) and without prejudice to any law which may have a similar effect, each floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to that floating charge if, subject to Clauses 4.7 (*Moratorium Assets*) and 4.8 (*Conversion exceptions*):

- (a) any Chargor creates or attempts to create any Security over any of the Charged Property (except as expressly permitted under the Senior Facilities Agreement) provided that such conversion is only in respect of the relevant Charged Property;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property provided that such conversion is only in respect of the relevant Charged Property; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed in respect of any Chargor provided that such conversion is only in respect of the relevant Charged Property.

4.5 Future Floating Charge Assets

Except as otherwise stated in any notice given under Clause 4.3 (*Conversion by Notice*) or unless the crystallisation relates to all of its assets charged pursuant to Clause 4.1 (*Creation of Floating Charge*), prospective assets acquired by any Chargor after conversion has occurred under Clause 4.3 (*Conversion by Notice*) or Clause 4.4 (*Automatic Conversion*) shall become subject to the floating charge created by Clause 4.1 (*Creation of Floating Charge*), so that the crystallisation shall be effective only as to the specific assets affected by the crystallisation.

4.6 Reconversion

Any charge which has crystallised under Clause 4.3 (*Conversion by Notice*) or Clause 4.4 (*Automatic Conversion*) may, by notice in writing given at any time by the Security Agent to the relevant Chargor (or to the Parent on its behalf), be reconverted into a floating charge in relation to the assets specified in such notice.

4.7 Moratorium Assets

Save as permitted by Part A1 of the Insolvency Act 1986, where a Chargor obtains a moratorium under that Part A1, and whilst the moratorium continues, the floating charge created by that Chargor in Clause 4.1 (*Creation of Floating Charge*):

- (a) may not be converted into a fixed charge by notice in writing under Clause 4.3 (*Conversion by Notice*); and
- (b) shall not automatically convert into a fixed charge under Clause 4.4 (*Automatic Conversion*).

4.8 Conversion exceptions

Notwithstanding Clauses 4.3 (*Conversion by Notice*) and Clause 4.4 (*Automatic Conversion*), and save as permitted under Part A1 of the Insolvency Act 1986, nothing done for or by a Chargor with a view to obtaining a moratorium under that Part A1 shall give rise to any right to crystallise by notice under Clause 4.3 or cause the automatic crystallisation under Clause 4.4 (*Automatic Conversion*) of the floating charge created by that Chargor under Clause 4.1 (*Creation of Floating Charge*).

5. PERFECTION OF SECURITY

5.1 Registration at HM Land Registry

For the purposes of panel 8 of each Form RX1 that may be required to be completed by the Security Agent in relation to any Mortgaged Property specified in Schedule 2 (*Real Property*) registered or required to be registered at HM Land Registry, each Chargor hereby consents to an application being made by the Security Agent to the Chief Land Registrar to enter the following restriction in Form P against that Chargor's title to such Mortgaged Property:

"No disposition of the registered estate by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [*insert full name of Security Agent*] referred to in the charges register [or its conveyancer [*or specify appropriate details*]]".

5.2 If the title to any Mortgaged Property of any Chargor is not registered at HM Land Registry, that Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Security Agent.

5.3 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against any Chargor's title to any Mortgaged Property, that Chargor shall promptly provide the Security Agent with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, that Chargor shall immediately and at its own expense take such steps as the Security Agent may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5.4 Nothing in this Clause 5 shall require any Chargor to register at HM Land Registry the charge created in Clause 4 (*Floating Charge*) where such charge breaches the term of any lease under which the relevant Chargor holds the relevant leasehold property.

5.5 Further Advances

Subject to the provisions of the Senior Facilities Agreement and the Junior Facility Agreement, where a Lender (as defined in each of the Senior Facilities Agreement and the Junior Facility Agreement) is under an obligation to make further advances to the Borrowers under the Senior Facilities Agreement or the Junior Facility Agreement (as applicable), that obligation will be deemed to be incorporated into this Deed as if set out in this Deed.

5.6 Acquisition of New Land

Subject to Clauses 6.3 to 6.5 (inclusive), in relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of any Chargor after the date of this Deed:

- (a) if the title to any such property is registered at HM Land Registry, that Chargor at the request of the Security Agent shall immediately apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Security Agent to the Chief Land Registrar for the

registration of an agreed notice in Form AN1 to protect this Deed against that Chargor's title to that property; and

- (b) if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, that Chargor at the request of the Security Agent shall immediately apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 13 of Form FR1;

and, in each such case, the relevant Chargor shall, immediately after registration of it as the proprietor of the relevant registered estate, provide the Security Agent with an official copy of the register recording the same.

5.7 Notices of Charge and Assignment

Each Chargor shall give:

- (a) in respect of all Specified Contracts, promptly upon the occurrence of a Declared Default, a notice substantially in the form set out in Part A of Schedule 5 (*Form of Notice of Charge – Specified Contracts*) or such form as may be agreed by the Security Agent, acting reasonably;
- (b) promptly upon the request of the Security Agent from time to time, a notice substantially in the form set out in Part A of Schedule 6 (*Form of Notice of Charge – Accounts not with the Security Agent*) or such form as may be agreed by the Security Agent, acting reasonably to each bank or financial institution (other than the Security Agent) in respect of each account of that Chargor opened or maintained with it provided that this is not inconsistent with that Chargor retaining control over the balance of the account and any obligation to seek an acknowledgement from such bank or financial institution (other than the Security Agent) of the notification shall be limited to a request by that Chargor that such an acknowledgment be provided; and
- (c) each such notice shall be duly signed by or on behalf of the relevant Chargor and that Chargor shall, using reasonable endeavours, request that each of the persons on whom any such notice is served provides to the Security Agent a duly signed acknowledgement of that notice substantially in the form set out Part A of Schedule 5 (*Form of Notice of Charge – Specified Contracts*) or, as applicable, Part B of Schedule 6 (*Form of Notice of Charge – Accounts not with the Security Agent*) or such form as may be agreed by the Security Agent, acting reasonably.

5.8 Deposit of Documents of Title

Each Chargor shall hold all deeds, certificates and other documents of title from time to time relating to the Mortgaged Property charged pursuant to Clause 3.1 (*Charges*), above to the order of the Security Agent and shall promptly deposit all such deeds, certificates and documents with the Security Agent upon such request by the Security Agent.

5.9 Deposit of Securities

Each Chargor shall, in respect of any Securities which are in certificated form, promptly:

- (a) deposit with the Security Agent, or as it may direct, all stock and share certificates and other documents of title or evidence of ownership from time to time relating to such Securities; and
- (b) execute and deliver to the Security Agent all share transfers and other documents as the Security Agent may from time to time request (acting reasonably) in order to enable the Security Agent (or its nominee(s)) to be registered as the owner or otherwise obtain a legal title to or to perfect its security interest in such Securities, to the extent that the Security Agent may at any time without notice complete and present such transfers and documents for registration.

5.10 Each Chargor shall, in respect of any Securities which are in uncertificated form, promptly upon being requested to do so by the Security Agent, give or procure the giving of, in accordance with and subject to the facilities and requirements of the relevant system, all instructions necessary to effect a transfer of title to such Securities into an account in the name of the Security Agent (or its nominee(s)) and to cause the Operator to register on the relevant register of securities the transfer of such title.

5.11 For the purposes of Clauses 5.9 and 5.10 above, the expressions "**certificated**", "**instruction**", "**Operator**", "**relevant system**" and "**uncertificated**" shall have the meanings given to those terms in the Uncertificated Securities Regulations 2001.

6. FURTHER ASSURANCE

6.1 Further Assurance

Subject to the Agreed Security Principles, each Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver may reasonably specify (and in such form as the Security Agent or any Receiver may reasonably require in favour of the Security Agent or its nominee(s)) to:

- (a) perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by that Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
- (b) confer on the Security Agent Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to this Deed;
- (c) facilitate the exercise of any rights, powers and remedies of the Security Agent or any Receiver or Delegate provided by or pursuant to this Deed or by law;
- (d) facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property.

6.2 Necessary Action

Each Chargor shall subject to the Agreed Security Principles take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.

Exclusion of Assets from Security

- 6.3 Each Chargor shall, subject to the Agreed Security Principles, use reasonable endeavours to procure that any Exclusions applying to any Charged Property are Satisfied as soon as practicable after the date of this Deed. In relation to Exclusions falling under part (ii) of that definition, each relevant Chargor shall provide notice to the relevant landlord within five Business Days of the date of this Deed.
- 6.4 Notwithstanding any provisions of this Deed, any Charged Property which is subject to an Exclusion shall not be charged, pledged or assigned by any Chargor pursuant to the provisions of Clause 3 (*Fixed Security*) of this Deed until the relevant Exclusions are Satisfied.
- 6.5 Immediately upon any Exclusion being Satisfied, the Charged Property concerned shall become the subject of an effective charge pursuant to, and in accordance with, Clause 3 (*Fixed Security*) and the relevant Chargor shall promptly deliver a copy of any relevant consent to the Security Agent.
- 6.6 Save as such Excluded Shares are charged under any other Transaction Security Document, upon the occurrence of a Declared Default each Chargor shall promptly deliver such items and take such actions as are required under Clause 5.9 (*Deposit of Security*) in relation to any of the Excluded Shares as though the Excluded Shares were Securities.
- 6.7 For the avoidance of doubt, the provisions of Clauses 6.3 to 6.5 above shall not apply to the floating charge created pursuant to Clause 4 (*Floating Charge*) of this Deed.
- 6.8 If any charge created in Clause 4 (*Floating Charge*) of this Deed breaches the terms of any lease under which the relevant Chargor holds any leasehold property:
- (a) such breach shall not in turn constitute a breach of any of the representations and warranties given by any Chargor in the Finance Documents; and
 - (b) the Security Agent will (if so requested by such Chargor and without authority from any other person) release the security constituted by this Deed over that lease if any lessor of such a leasehold property takes, or threatens to take, proceedings for forfeiture or termination of a lease on the grounds that its consent had not been obtained to the creation of a floating charge over that leasehold interest in this Deed, and provided that if proceedings are taken, the security constituted by this Deed over that lease will be automatically released on the commencement of such proceedings.

6.9 Implied Covenants for Title

Each of the mortgages, charges and assignments granted by each Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a), Section 3 and Section 4 of that Act shall extend to each Chargor without, in each case, the benefit of Section 6(2) of that Act.

7. UNDERTAKINGS

7.1 General

The undertakings in this Clause 7 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

7.2 Negative Pledge

Except for the Original Security Agreements and as otherwise permitted or created under the terms of the Finance Documents, no Chargor shall create or extend or permit to arise or subsist any Security over the whole or any part of the Charged Property, other than as expressly permitted under the Senior Facilities Agreement or the Junior Facility Agreement.

7.3 Restriction on Disposals

No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, or otherwise dispose of the whole or any part of the Charged Property, other than as expressly permitted under the Senior Facilities Agreement or the Junior Facility Agreement.

7.4 Access

Each Chargor shall permit the Security Agent and any other person nominated by it access to enter upon and/or view the state and condition of the Charged Property (without, in any case, becoming liable to account as mortgagee in possession) at times as expressly permitted under the Senior Facilities Agreement or the Junior Facility Agreement.

7.5 Voting Rights and Dividends relating to Securities

At any time before the security constituted by this Deed has become enforceable:

- (a) each Chargor shall be entitled to exercise all voting and other rights and powers in respect of the Securities or, if any of the same are exercisable by the Security Agent (or its nominee(s)), to direct in writing the exercise of those voting and other rights and powers, provided that no Chargor shall exercise or direct the exercise of any voting or other rights and powers in any manner prohibited by the Senior Facilities Agreement or the Junior Facility Agreement; and
- (b) each Chargor shall pay all dividends, interest and other moneys arising from the Securities in accordance with the Senior Facilities Agreement and following the Senior Discharge Date, in accordance with the Junior Facility Agreement.

7.6 The Security Agent may, upon the occurrence of a Declared Default at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):

- (a) exercise (or refrain from exercising) all voting and other rights and powers in respect of the Securities;
- (b) apply all dividends, interest and other moneys arising from the Securities in accordance with Clause 15.1 (*Order of Application*) and, if any of the same are paid or payable to any Chargor, that Chargor shall hold all such dividends, interest and other moneys on trust for the Security Agent (as security trustee for the Secured Parties) and pay the same immediately to the Security Agent or as it may direct to be applied in accordance with Clause 15.1 (*Order of Application*);
- (c) if not already so transferred, transfer the Securities into the name of, or (as applicable) into an account in the name of, the Security Agent (or its nominee(s)); and

- (d) in addition to any other power created under this Deed, exercise (or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities and, except as expressly provided for in the Deed, all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000, including, without limitation, the general power of investment set out in Section 3 of the Trustee Act 2000, provided that the duty of care set out in Section 1(1) of the Trustee Act 2000 shall not apply to the exercise of any other power of investment (however conferred) by the Security Agent (or its nominee(s)) in respect of securities or property subject to a trust,

the proceeds of which shall form part of this Charged Property.

7.7 Calls and Other Obligations in respect of Securities

Each Chargor shall pay all calls and other payments which may be or become due in respect of all or any part of the Securities and, if it fails to do so, the Security Agent may, following a notice to that effect to the relevant Chargor elect (but shall not be obliged) to make such payments on behalf of that Chargor. Any sums so paid by the Security Agent shall be reimbursed by the relevant Chargor to the Security Agent on demand and shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Security Agent until reimbursed (after as well as before any judgment).

- 7.8 Each Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of all or any part of the Securities.

- 7.9 Neither the Security Agent nor its nominee(s) shall be liable to make any payment in respect of any calls or other payments which may be or become due in respect of the Securities or be under any duty to make any enquiry into the nature or sufficiency of any payment received by it in respect of the Securities or to present or file or make any claim, take any action or do any other act or thing for the purpose of collecting and/or enforcing the payment of any amount to which it may be entitled in respect of the Securities.

- 7.10 Each Chargor shall copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under Section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional documents relating to all or any part of the Securities and, if it fails to do so, the Security Agent may elect (but shall not be obliged) to provide such information as it may have on behalf of (and at the expense of) that Chargor.

- 7.11 No Chargor shall, without the prior written consent of the Security Agent, do or cause or permit to be done anything which shall require any company in which any of the Securities is held to treat any person who is not the registered holder of any of the Securities as entitled to enjoy or exercise any rights of a member in relation to the whole or any part of the Securities, except pursuant to the terms of this Deed.

7.12 Bank Accounts

- 7.13 Each Chargor shall prior to the occurrence of a Declared Default be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any account subject to the terms of the Senior Facilities Agreement and the Junior Facility Agreement.

- 7.14 Upon the occurrence of a Declared Default, no Chargor shall be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on any account except with the prior written consent of the Security Agent.

7.15 **Remedying Mortgaged Property Defaults**

Upon the occurrence of a Declared Default, the relevant Chargor shall permit the Security Agent and its agents and contractors to:

- (a) enter on the Mortgaged Property;
- (b) comply with or object to any notice served on that Chargor in respect of the Mortgaged Property; and
- (c) take any action as the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such covenant, undertaking, restriction, applicable law or regulations or to comply with or object to any such notice.

7.16 All moneys expended by the Security Agent in taking any steps referred to in Clause 7.15 above shall be reimbursed by the relevant Chargor to the Security Agent on demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Security Agent until reimbursed (after as well as before any judgment).

7.17 **Notices relating to Charged Property**

Each Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the whole or any part of the Charged Property where the steps referred to in such application requirement, order or notice, if implemented would have a material adverse effect on the Charged Property or the security constituted or intended to be constituted by this Deed:

- (a) deliver a copy to the Security Agent;
- (b) inform the Security Agent of the steps taken or proposed to be taken by it to comply with the relevant application, requirement, order or notice; and
- (c) comply with any reasonable request by the Security Agent to take such action as the Security Agent may believe necessary to preserve or protect the Charged Property or the security constituted or intended to be constituted by this Deed.

8. **ENFORCEMENT OF SECURITY**

8.1 **When Security becomes Enforceable**

At any time following the occurrence of a Declared Default the security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable and the Security Agent may in its absolute discretion enforce all or any part of that security after it has provided written notice to the Chargors of its intention to enforce that security, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

8.2 **Right of Appropriation**

To the extent that any of the Charged Property constitutes "**financial collateral**" and this Deed and the obligations of any Chargor under this Deed constitute a "**security financial collateral arrangement**" (in each case as defined in, and for the purposes of, the Financial

Collateral Arrangements (No. 2) Regulations 2003 (the "**FCA Regulations**")), then following the occurrence of a Declared Default, the Security Agent shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such financial collateral shall be (in the case of cash) the amount standing to the credit of each bank account of the relevant Chargor, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and (in the case of Securities) the market price of such Securities determined by the Security Agent by reference to a public index or by such other process as the Security Agent may select, including independent valuation. In each case, the parties agree that the manner of valuation provided for in this Clause 8.2 shall constitute a commercially reasonable manner of valuation for the purposes of the FCA Regulations.

8.3 **Redemption of Prior Mortgages**

At any time after the occurrence of a Declared Default the Security Agent or any Receiver may:

- (a) redeem any prior Security over any Charged Property; or
- (b) procure the transfer of that Security to the Security Agent; or
- (c) settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the relevant Chargor).

8.4 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the relevant Chargor to the Security Agent and every Receiver on demand and shall be secured by this Deed.

8.5 **Effect of Moratorium**

The Security Agent shall not be entitled to exercise its rights under Clause 8.1 (*When Security becomes Enforceable*) or Clause 4 (*Floating Charge*) where the right arises as a result of a Declared Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to schedule A1 of the Insolvency Act 1986.

9. **EXTENSION AND VARIATION OF THE LPA**

9.1 **General**

For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.

9.2 Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.

9.3 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent and any Receiver at any time after the occurrence of a Declared Default to make any lease or agreement for lease, accept surrenders of leases and/or grant options on such terms as it or he shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

9.4 **Privileges**

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

10. **APPOINTMENT OF RECEIVER AND ADMINISTRATOR**

10.1 **Appointment**

After the occurrence of a Declared Default the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent) without prior notice to any Chargor:

- (a) appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Security Agent had become entitled under the LPA to exercise the power of sale conferred under the LPA; or
- (b) appoint two or more Receivers in respect of separate parts of the Charged Property; or
- (c) appoint one or more persons to be an administrator of any one or more of the Chargors,

subject to the Security Agent not being entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986, save where such appointment would be permitted under that Part A1.

10.2 **Removal**

The Security Agent may by writing under its hand (or by an application to the court where required by law):

- (a) remove (so far as it is lawfully able) any Receiver appointed by it; and
- (b) appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

10.3 **Statutory Powers of Appointment**

The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Security Agent under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Security Agent in respect of any part or parts of the Charged Property.

10.4 **Capacity of Receiver**

Each Receiver shall be deemed to be the agent of the relevant Chargor for all purposes. Each Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.

- 10.5 The agency of each Receiver shall continue until the relevant Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Agent.

- 10.6 If there is more than one Receiver holding office at the same time, each Receiver shall (unless the document appointing him states otherwise) be entitled to act (and to exercise all of the powers conferred on a Receiver under this Deed) individually or together with any other person appointed or substituted as Receiver.

10.7 Remuneration of Receiver

The Security Agent may fix the remuneration of any Receiver appointed by it without any restriction imposed by Section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed.

11. POWERS OF RECEIVER

11.1 General

Each Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of the Chargor) has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred by law.

- 11.2 Without prejudice to the generality of this Clause 11, each Receiver shall have all the rights, powers and discretions of an administrative receiver under schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

11.3 Specific Powers

Each Receiver shall have the following powers (and every reference in this Clause 11.3 to the "**Charged Property**" shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):

- (a) power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;
- (b) power to take immediate possession of, get in and collect any Charged Property;
- (c) power to carry on the business of any Chargor as he thinks fit;
- (d) power (but without any obligation to do so) to:
 - (i) make and effect all repairs, alterations, additions and insurances and do all other acts which any Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
 - (ii) commence or complete any building operations on the Charged Property;
 - (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence in respect of the Charged Property; and
 - (iv) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the Charged Property and represent any Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition,

in each case as he thinks fit;

- (e) power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by any Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the relevant Chargor on demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));
- (f) power to raise and borrow money either unsecured or (with the prior consent of the Security Agent) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- (g) power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- (h) power to sever and sell separately any fixtures from the property containing them without the consent of any Chargor;
- (i) power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);
- (j) power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Charged Property;
- (k) power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to any Chargor which may seem to him to be expedient;
- (l) power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- (m) power to form a subsidiary of any Chargor and transfer to that subsidiary any Charged Property;
- (n) power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- (o) power to call any meeting of the members or directors of any Chargor in order to consider such resolutions or other business as he thinks fit;
- (p) power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;

- (q) power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- (r) power to exercise any of the above powers in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of that Chargor.

11.4 Security Agent's Powers

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after a Declared Default be exercised by the Security Agent in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12. DISCRETIONS AND DELEGATION

12.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Agent or any Receiver may, subject to the terms and conditions of the Intercreditor Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

12.2 Delegation

Each of the Security Agent and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).

- 12.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Agent or any Receiver (as the case may be) shall think fit.

- 12.4 Neither the Security Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. POWER OF ATTORNEY

13.1 Appointment and Powers

Each Chargor, by way of security, irrevocably appoints the Security Agent, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on any Chargor by the Transaction Security Documents and where that Chargor has not undertaken that action in respect of a further assurance or perfection obligation within five Business Days of being notified by the Security Agent of such failure and being requested to comply; and/or
- (b) after the occurrence of a Declared Default, enabling the Security Agent or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to the terms of any Transaction Security Document or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

13.2 **Ratification**

Each Chargor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under Clause 13.1 (*Appointment and Powers*).

14. **PROTECTION OF PURCHASERS**

14.1 **Consideration**

The receipt of the Security Agent or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property (including a disposal by a Receiver or Delegate to any subsidiary of any Chargor) or in making any acquisition in the exercise of their respective powers, the Security Agent, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

14.2 **Protection of Third Parties**

No person (including a purchaser) dealing with the Security Agent, any Receiver or any Delegate shall be bound to enquire:

- (a) whether the Secured Liabilities have become payable; or
- (b) whether any power which the Security Agent or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to any Receiver or Delegate is to be applied,

or shall be concerned with any propriety, regularity or purpose on the part of the Security Agent or any Receiver or Delegate in such dealings or in the exercise of any such power.

15. **APPLICATION OF PROCEEDS**

15.1 **Order of Application**

All moneys received or recovered by the Security Agent, any Receiver or any Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied pursuant to clause 15 (*Application of proceeds*) of the Intercreditor Agreement.

15.2 **New Accounts**

If the Security Agent (acting in its capacity as security trustee for the Secured Parties or otherwise) or any other Secured Party at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Security Agent and/or any other relevant Secured Party may open a new account with any Chargor.

- 15.3 If the Security Agent and/or any other Secured Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on behalf of the relevant Chargor to the Security Agent (whether in its capacity as security trustee for the

Secured Parties or otherwise) and/or any other Secured Party shall be credited or be treated as having been credited to the new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

15.4 Currency Conversion

For the purpose of or pending the discharge of any of the Secured Liabilities following the occurrence of a Declared Default, the Security Agent and each other Secured Party may (acting reasonably) convert any moneys received or recovered by it or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by it or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Security Agent's (or that Secured Party's) spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Security Agent or that Secured Party. Nothing in this Deed shall require the Security Agent to make, or shall impose any duty of care on the Security Agent or any other Secured Party in respect of, any such currency conversion.

16. NO LIABILITY AS MORTGAGEE IN POSSESSION

Neither the Security Agent nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to any Chargor for anything, except actual receipts, or be liable to any Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Security Agent, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Security Agent or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property or the Finance Documents, except in the case of gross negligence or wilful misconduct on its part.

17. SET-OFF

The Security Agent and each other Senior Finance Party may (but shall not be obliged to), after the occurrence of a Declared Default, set off any matured obligation due from any Chargor under this Deed (to the extent beneficially owned by the Security Agent or, as the case may be, that Senior Finance Party) against any obligation (whether matured or not) owed by the Security Agent or, as the case may be, that Senior Finance Party to that Chargor, regardless of the place of payment, booking branch or currency of either obligation.

18. DECLARATION OF TRUST

18.1 The Security Agent holds the benefit of this Deed on trust for itself and the other Secured Parties on the terms of the Finance Documents.

18.2 All moneys, property and other assets received by the Security Agent or any Receiver or Delegate shall be held by it or him upon trust for the Security Agent and the other Secured Parties according to their respective interests to apply the same in the order specified in Clause 15.1 (*Order of Application*).

19. EFFECTIVENESS OF SECURITY

19.1 Continuing Security

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Security Agent, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

19.2 Cumulative Rights

The security constituted by this Deed and all rights, powers and remedies of the Security Agent provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Security Agent or any other Secured Party for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security Agent (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

19.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of an Obligor or any Security for those obligations or otherwise) is made by the Security Agent or any other Secured Party in whole or in part on the faith 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 each Chargor under, the security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

19.4 The Security Agent may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

19.5 No Security held by Chargors

No Chargor shall take or receive any Security from an Obligor or another Chargor or any other person in connection with its liability under this Deed. However, if any such Security is so taken or received by any Chargor:

- (a) it shall be held by that Chargor on trust for the Security Agent (as security trustee for the Secured Parties), together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and
- (b) on demand by the Security Agent, the relevant Chargor shall promptly transfer, assign or pay to the Security Agent all Security and all moneys from time to time held on trust by it under this Clause 19.5.

20. PAYMENTS

20.1 Manner of Payments

Each Chargor shall make all payments required to be made by it under this Deed available to the Security Agent (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Security Agent as being customary

at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Security Agent specifies.

20.2 No Set-off by Chargors

All payments to be made by any Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

21. EXPENSES, STAMP TAXES AND INDEMNITIES

21.1 Expenses

The provisions of clause 22.1 (*Transaction expenses*) of the Senior Facilities Agreement shall apply to this Deed *mutatis mutandis*.

21.2 Each Chargor shall promptly on demand pay to the Security Agent and each Receiver or Delegate the amount of all costs and expenses (including legal fees subject to any agreed limitation) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed and in responding to, evaluating, negotiating or complying with any request for an amendment, waiver or consent made by that Chargor in relation to this Deed.

21.3 Each Chargor shall, within three Business Days of demand, pay to the Security Agent and each Receiver or Delegate the amount of all costs and expenses (including legal fees subject to any agreed limitation) incurred by any of them in connection with the enforcement of, or the defence, protection and/or preservation of, any rights, remedies and powers under this Deed or the security constituted, or intended to be constituted, by this Deed and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the security constituted, or intended to be constituted, by this Deed or enforcing any such rights, powers and remedies.

21.4 Stamp Taxes

Each Chargor shall pay, and shall promptly on demand indemnify, the Security Agent and every Receiver or Delegate against any cost, loss or liability any of them incurs in relation to, all stamp duty, registration and similar Taxes payable in connection with the entry into, performance or enforcement, of this Deed, the security constituted by this Deed or any judgment given in connection with this Deed.

21.5 General Indemnity

Each Chargor shall, notwithstanding the release or discharge of all or any part of the security constituted by this Deed, promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss, liability or damage incurred by any of them as a result of:

- (a) any default or delay by that Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed (including, without limitation, any arising from any actual or alleged breach by any person of any Environmental Law or Environmental Permits);
- (b) the taking, holding, protection or enforcement of the security constituted by this Deed; and

- (c) the exercise of any of the rights, powers, discretions and remedies vested in the Security Agent and each Receiver and Delegate by this Deed or by law in respect of the Charged Property,

save to the extent that the same arises from the Security Agent's or such Receiver's or Delegate's gross negligence or wilful default.

- 21.6 There shall be no double recovery under (a) this Clause 21 and any clause of the Senior Facilities Agreement and/or any other Senior Finance Document or (b) this Clause 21 and any clause of the Junior Facility Agreement and/or any other Junior Finance Document.

21.7 Value Added Tax

Any cost or expense referred to in this Clause 21 is exclusive of any VAT that might be chargeable in connection with that cost or expense. If any VAT is so chargeable, it shall be paid by the relevant Chargor at the same time as it pays the relevant cost or expense.

22. CERTIFICATES AND DETERMINATIONS

Any certificate or determination by the Security Agent of a rate or amount under this Deed is *prima facie* evidence of the matters to which it relates.

23. PARTIAL INVALIDITY

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired and, if any part of the security constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

24. REMEDIES AND WAIVERS

- 24.1 No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.

- 24.2 Any amendment, waiver or consent by the Security Agent under this Deed must be in writing and may be given subject to any conditions thought fit by the Security Agent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

25. COUNTERPARTS

This Deed may be executed in any number of counterparts and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

26. ASSIGNMENT

The Security Agent may assign, charge or transfer all or any of its rights under this Deed without the consent of any Chargor. The Security Agent may disclose any information about

any Chargor and this Deed as the Security Agent shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

27. RELEASES

Upon the expiry of the Liability Period (but not otherwise) and without prejudice to Clauses 19.3 and 19.4 (*Reinstatement*), the Security Agent shall, at the request and cost of the relevant Chargor, take whatever action is necessary to release the Charged Property of that Chargor from the security constituted by this Deed.

28. GOVERNING LAW

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

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

SCHEDULE 1

The Chargors

Name	Company Number	Registered Office	Address for Notices	Email	FAO:
Virgin Active Investment Holdings Limited	06366192	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Virgin Active Holdings Limited	03613370	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Virgin Active Limited	03448441	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Virgin Active Health Clubs Limited	01395346	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Esporta Racquets and Non Racquets Holdings Limited	06894052	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Esporta Racquets Limited	06754656	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Esporta Non Racquets Limited	06894062	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Esporta Health & Fitness Limited	02999311	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Esporta Management Services Limited	06729212	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary

Name	Company Number	Registered Office	Address for Notices	Email	FAO:
Esporta Tennis Clubs Limited	03765731	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary
Virgin Active Asia Pacific Holdings Limited	07806208	One Fleet Place, London, EC4M 7WS	One Fleet Place, London, EC4M 7WS	[REDACTED]	The Company Secretary

SCHEDULE 2

Real Property

Part A – Registered Land

Virgin Active Limited

No.	Description of Property	Title Number(s)
1	Virgin Active, New Writtle Street, Chelmsford CM2 0RR (Chelmsford Club)	EX651881
2	Part of the basement and ground floors and being part of the basement and ground floors and being the Virgin Active Health Club, 323 – 345 Goswell Road, London (Islington Angel Club)	NGL808211
3	Centaur House, 91 Great George Street, Leeds LS1 3BR (Leeds City Centre Club)	WYK640251
4	The Health and Fitness Club, Great Northern Centre, Watson Street, Manchester M3 4EG (Manchester Deansgate Club)	MAN19461
5	Virgin Active, Blythe Gate, Blythe Valley Park, Shirley B90 8AT (Solihull Club)	WM751530
6	Pure Gym, Gallagher Leisure, Dick Lane, Thornbury, Bradford BD3 7AT (Bradford Club)	WYK674499
7	Land and Buildings on the west side of Oldham Street, Denton (Manchester Denton Club)	GM869136
		MAN183249
8	Lower Ground Floor and Basement At 21-33 Worples Road, London SW19 4JS (Wimbledon Worples Road Club)	SGL649190
9	Land on the north side of Windingbrook Lane, Northampton (Northampton Collingtree Club)	NN240409
10	Unit 2, O2 Centre, 255 Finchley Road, London NW3 6LU (Swiss Cottage Club)	TBC
11	The Health Club, 5 Merchant Square, London (Merchant Square Club)	NGL948646
12	B1, G37 and F31, The Lowry Outlet Mall, The Quays, Salford M50 3AH (Salford Quays Club) (referred to as the Lowry Outlet Mall in the Land Registry title register for title number MAN240575)	MAN240575

Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Bromley Lido, Baths Road, Bromley, BR2 9RB (Bromley Club)	SGL617329
2	Health Club and Pool, The Club Building, 34 Westferry Circus, London E14 8RR (Canary Riverside)	EGL455196

No.	Description of Property	Title Number(s)
3	Plant Room, Belgrave Court, 36 Westferry Circus, London E14 8RJ (Canary Riverside)	EGL455194
4	Land on the North East Side of North Street, London (Clapham Club)	TGL184561
5	The Production Village, 108-110 Cricklewood Lane, Cricklewood, London and the land on the north west side of Cricklewood Lane, Cricklewood (Cricklewood Club)	AGL78081
6	Ground Floor and Mezzanine Offices, 3 Shortlands, London W6 8DR (Hammersmith Club)	BGL23270
7	The Second, Third and Fourth Floor Unit of 26 to 40 (even) Kensington High Street, W8 4HP (Kensington Club)	BGL25325
	The Second, Third and Fourth Floor Unit Of 26 to 40 (even) Kensington High Street, London, W8 4PF (Kensington Club)	BGL104825
8	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London (Mayfair Club)	NGL844679
	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London W1C 2QQ (Mayfair Club)	NGL844687
9	Sub-basement, basement, ground and mezzanine floors, 499-523 (odd) Oxford Street, London, W1C 2QR (Mayfair Club)	NGL948951
10	Land on the South East Side of The Great Northern Close, Nottingham NG2 3AE (Nottingham Club)	NT377331 NT347176
11	119-131 Lancaster Road, London W11 1QT (Notting Hill Club)	BGL32701
12	154-160 Upper Richmond Road, London SW15 2SW (Putney Club)	TGL120089
13	20 Ockley Road, London SW16 1UB (Streatham Club)	TGL170171
14	Ground Floor Parking Area to the rear of Emsworth Court, Ockley Road, London SW16 1UB (Parking area for Streatham Club)	TGL137585
15	Part of the Ground Floors and the whole of the First, Second and Third Floors of the building on the North West Side of Vine Street, Uxbridge, (Uxbridge Club)	AGL60614
16	Basement Ground and Mezzanine Premises, 1-18 Old Broad Street, London (Bank Club)	EGL563747
17	The Health Club, Lion Plaza, Old Broad Street and Threadneedle Street, London (Bank Club)	AGL309206
18	Unit S11, Two Rivers Shopping Centre, Tillys Lane, Staines, TW18 4PJ (Staines Club)	SY777062

No.	Description of Property	Title Number(s)
19	Leisure Centre, 1 Appold Street (Broadgate Club)	NGL766861

Part B – Registered Land Requiring Notice

Virgin Active Limited and Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Brighton Health and Racquet Club, Village Way, Falmer, Brighton BN1 9SG (Brighton Club)	ESX317176
2	Riverside Health and Racquets Club, Dukes Meadows, London W4 2SX (Chiswick Riverside)	AGL190867 AGL266068
3	Clearview Health Club, Little Warley Hall Lane, Little Warley, Brentwood CM13 3EN (Clearview Club)	EX870412 EX769240

Part C – Unregistered Land

Virgin Active Limited

No.	Description of Property	Title Number(s)
1	Virgin Active, New Writtle Street, Chelmsford CM2 0RR (Chelmsford Club)*	AA21255
2	B1, G37 and F31, The Lowry Outlet Mall, The Quays, Salford (M50 3AH) (Salford Quays Club)	

Virgin Active Group Investments Limited

No.	Description of Property	Title Number(s)
1	200 Rayleigh Road, Thundersley, Essex, SS7 3YP (Thundersley Club)*	AA20691

* Lease not yet registered and title number given is a provisional title number.

Part D - Registered Land requiring third party consent

Virgin Active Limited

No.	Description of Property	Title Number(s)
1	200 Aldersgate St, London EC1A 4HD (Aldersgate Club)	AGL234685

2	Building 3, 566 Chiswick High Road, Chiswick, London, W4 5YA (Chiswick Park Club)	AGL89057
3	Unit 7, Cardigan Fields Development, Kirkstall Road, Leeds, LS4 2EZ (Leeds Life Centre Club)	WYK678912
4	26 Little Trinity Lane, London EC4V 2AR (Mansion House Club)	AGL374439
5	Ferris Row, Riverside Park, Northampton, NN3 9HX (Northampton Riverside Club)	HN14051
6	Manor Park, Woodford Green, Essex, IG8 8GN (Repton Park)	EGL463797
7	25 Walbrook, London EC4N 8AF (Walbrook Club)	AGL340303
8	3 Broadfield Court, Broadfield Park, Broadfield Road, Sheffield, S8 0XQ (Sheffield Broadfield Park Club)	SYK502290 SYK660943 (Reversionary Lease) SYK665493 (Second Reversionary Lease)
9	Shell Mex House, 80 Strand, London, WC2R 0DT (Strand Club)	NGL806196 NGL958010
10	West Smugglers Way, Wandsworth, London SW18 1DG (Wandsworth Smugglers Way Club)	TGL200084 TGL361783
11	The Water Gardens, College Square, Harlow, Essex CM20 1AJ (Harlow Club)	EX704944 EX878889
12	Eccleshall Road, Stafford, Staffordshire, ST16 1RA (Stafford Club)	SF473424

Virgin Active Health Clubs Limited

No.	Description of Property	Title Number(s)
1	Bittacy Hill, Mill Hill, Barnet NW7 1AF (Mill Hill East Club)	AGL111026
2	188A and 196A Fulham Rd, London SW10 9PN (Chelsea Club)	NGL391153 NGL605409 NGL638513
3	31 Topsfield Parade, Tottenham Lane, Crouch End, London, N8 8PT (Crouch End Club)	EGL359343
4	Normand Park, Lillie Road, Fulham, London, SW6 7ST (Fulham Club)	BGL36096 BGL36349

5	Armoury House, 33 Bunhill Row, London, EC1Y 8LP (Moorgate Club)	EGL558947
6	Shell Mex House, 80 Strand, London, WC2R 0DT (Strand Club)	NGL806196 NGL958010
7	16 Star City, Watson Road, Birmingham, B7 5SB (Birmingham Star City Club)	WM900991
8	Observatory Shopping Centre, High Street, Slough, SL1 1BN (Slough Club) (Holmes Place, The Observatory, High Street, Slough.)	BK379019

Virgin Active Group Investments Limited

No.	Description of Property	Title Number(s)
1	200 Rayleigh Road, Thundersley, Essex, SS7 3YP	EX732546 EX732592

SCHEDULE 3

Securities

Part A – Shares

Name of Chargor	Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Registered holder
Virgin Active Holdings Limited	Virgin Active Health Clubs Limited	100	£1.00 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active Limited	100,000	£0.001 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active Italia S.p.A.	102,564	€1.00 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Virgin Active Asia Pacific Holdings Limited	1,000,255	£0.001 ordinary shares	Virgin Active Holdings Limited
Virgin Active Holdings Limited	Esporta Racquets and Non Racquets Holdings Limited	100,003	£1.00 Ordinary shares	Virgin Active Holdings Limited
Virgin Active Investment Holdings Limited	Virgin Active Holdings Limited	2,433,710	£0.01 ordinary shares	Virgin Active Investment Holdings Limited
Esporta Management Services Limited	Esporta Racquets Limited	100,001	£1.00 ordinary shares	Esporta Management Services Limited
Esporta Racquets and Non Racquets Holdings Limited	Esporta Management Services Limited	1	£1.00 ordinary shares	Esporta Racquets and Non Racquets Holdings Limited
Esporta Management Services Limited	Esporta Non Racquets Limited	2	£1.00 ordinary shares	Esporta Management Services Limited
Esporta Racquets Limited	Esporta Tennis Clubs Limited	20,010	£0.0001 ordinary shares	Esporta Racquets Limited
Esporta Non Racquets Limited	Esporta Health & Fitness Limited	100	£1.00 ordinary shares	Esporta Non Racquets Limited

Part B - Other Securities

none as at the date hereof

SCHEDULE 4

Specified Contracts

1. The Hedging Agreements.
2. The licence between Virgin Enterprises Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in the UK dated 23 February 2002, as assigned to Virgin Active Holdings Limited as licensee on 31 October 2006, as amended on 7 April 2010, as assigned to ACTIVEIPCO Limited as licensor on 20 October 2011 and as amended on or about the date of this Deed.
3. The licence between Virgin Enterprises Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in Europe dated 23 February 2002, as amended on 27 February 2004, as assigned to Virgin Active Holdings Limited on 31 October 2006, as amended on 19 December 2007 as amended on 7 April 2010, as assigned to ACTIVEIPCO Limited as licensor on 20 October 2011 and as amended or about the date of this Deed.
4. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Health Clubs Limited (formerly Holmes Place Health Clubs Limited) relating to the operation of gyms and fitness centres in the UK dated 31 October 2006 and as amended on or about the date of this Deed.
5. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Limited relating to the operation of gyms and fitness centres in the UK dated 31 October 2006 and as amended on or about the date of this Deed.
6. The sub-licence between Virgin Enterprises Limited, Virgin Active Holdings Limited and Virgin Active Italia S.p.A. relating to the operation of gyms and fitness centres in Italy dated 31 October 2006 and as amended on or about the date of this Deed.
7. All structural intra-group loan agreements existing within the Group.

SCHEDULE 5

Form of Notice of Charge – Specified Contracts

Part A - Form of Notice

To: [Name of relevant counterparty to Specified Contract]

Address: [] [Date]

Dear Sirs

We, [insert name of relevant Chargor] (the "**Company**") HEREBY GIVE NOTICE that (subject to the Original Security Agreements) by a charge contained in a debenture dated [●] 2021 and made between, *inter alios*, the Company and HSBC Corporate Trustee Company (UK) Limited the "**Security Agent**" (the "**Debenture**") the Company charged to the Security Agent by way of first fixed charge all of its present and future rights, title and interest in and to the following agreement:

[describe agreement]

(the "**Agreement**") including, but not limited to, the right to demand and receive all moneys whatsoever payable to or for the benefit of the Company under or arising from the Agreement, all remedies provided for in the Agreement or available at law or in equity in relation to the Agreement, the right to compel performance of the Agreement and all other rights, interests and benefits whatsoever accruing to or for the benefit of the Company arising from the Agreement.

The Company hereby authorises and instructs you as follows:

- (a) prior to the receipt by you of a notice informing you that a Declared Default has occurred (which notice has not been revoked) the Company has been authorised to give, and you may accept and act upon instructions regarding the operation of the Agreement in accordance with the terms thereunder;
- (b) immediately upon receipt of a notice informing you that a Declared Default has occurred (which notice has not been revoked) (which you may rely upon without further enquiry) from the Security Agent, all moneys payable by you to the Company pursuant to the Agreement shall be paid to the Company's account (account number [insert account number], sort code [insert sort code] and account reference "[insert account name]") with the Security Agent unless and until you receive notice from the Security Agent to the contrary, in which event you should make all future payments as directed by the Security Agent.

Notwithstanding the charge referred to above or the making of any payment by you to the Security Agent pursuant to it, the Company shall remain liable under the Agreement to perform all the obligations assumed by it under the Agreement and neither the Security Agent nor any receiver nor any delegate appointed by the Security Agent or any such receiver shall be at any time under any obligation or liability to you under or in respect of the Agreement. The Company shall also remain entitled to exercise all its rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to the Company in each case unless and until you receive notice from the Security Agent to the contrary when all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Agent or as it directs.

The Company confirms that following the occurrence of and notice to the counterparty from the Security Agent of a Declared Default:

- (a) in the event of any conflict between communications received from it and from the Security Agent, the communication from the Security Agent shall prevail;
- (b) none of the instructions, authorisations or confirmations set out specifically in this Notice of Charge (the "**Notice**") can be revoked or varied in any way except with the Security Agent's specific written consent; and
- (c) any written notice or instructions given to you by the Security Agent in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Security Agent at [insert address] for the attention of [officer/department].

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

[insert name of relevant Chargor]

Part B - Form of Acknowledgement

[on duplicate]

To: [•]

Address: [•]

Attention: [•] [Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We give any consent to the creation of the charge required pursuant to the Agreement and agree to and confirm that:

- (a) we will pay all moneys hereafter becoming due to the Company in respect of the Agreement as directed in the Notice and accept and will comply with the terms of the Notice;
- (b) following notification from you of the occurrence of a Declared Default, we shall:
 - (i) permit you to exercise all or any of the rights of the Company under the Agreement for so long as you shall require. Such notice in writing shall be binding and conclusive upon us; and/or
 - (ii) if so requested, enter into a novation agreement (in form and substance acceptable to you) by which you[, a receiver appointed by you under the Debenture] or another person nominated by you and approved by us (such approval not to be unreasonably withheld or delayed) assume(s) the rights and obligations of the Company under the Agreement (but giving credit to you[, such receiver] or such other person for moneys already paid and obligations already performed by or on behalf of the Company pursuant to the Agreement) and we agree and confirm that on being called upon to execute any such novation agreement we shall promptly execute the same;
- (c) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, the Agreement or any other notice relating to the Agreement; and
- (d) this acknowledgement is freely assignable or transferable by you, by any subsequent assignee, transferee or successor in title in accordance with the terms of the Agreement ("**Subsequent Party**") and by any receiver appointed by you or by any Subsequent Party pursuant to the Debenture.

Yours faithfully

for and on behalf of

[Name of relevant counterparty to Specified Contract]

SCHEDULE 6

Form of Notice of Charge – Accounts not with the Security Agent

Part A - Form of Notice

To: [Name of relevant bank or financial institution]

Address: [•] [Date]

Dear Sirs

We, [insert name of relevant Chargor] (the "**Company**") HEREBY GIVE NOTICE that (subject to the Original Security Agreements) by a charge contained in a debenture dated [•] 2021 and made between, *inter alios*, the Company and HSBC Corporate Trustee Company (UK) Limited the "**Security Agent**" (the "**Debenture**") the Company charged to the Security Agent by way of first fixed charge all of its present and future rights, title and interest in and to all moneys from time to time deposited in or standing to the credit of any bank account with any bank or financial institution, including the following account(s) (each a "**Relevant Account**") maintained with you:

[Specify accounts: account name, account number, details of branch etc.]

Accordingly, the Company hereby irrevocably and unconditionally instructs and authorises you as follows:

- (a) prior to the receipt by you of a notice informing you that a Declared Default has occurred (which notice has not been revoked) the Company has been allowed to give, and you may accept and act upon instructions regarding the operation of the Relevant Accounts;
- (b) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Agent, you agree to disclose to the Security Agent, without any reference to or further authority from the Company and without any enquiry by you as to the justification for such disclosure, such information relating to any of the Relevant Accounts and the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts as the Security Agent may at any time and from time to time request you to disclose to it;
- (c) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Agent to hold all moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts to the order of the Security Agent and to pay or release all or any part of such moneys in accordance with the written instructions of the Security Agent at any time and from time to time; and
- (d) immediately upon receipt of a notice informing you that a Declared Default has occurred (and has not been revoked) (which you may rely upon without further enquiry) from the Security Agent to comply with the terms of any other written notice or instructions that you receive at any time and from time to time from the Security Agent in any way relating to the Debenture, any of the Relevant Accounts or the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts without any reference to or further authority from the Company and without any enquiry by you as to the justification for or validity of such notice or instructions.

The Security Agent has agreed that the Company may withdraw any moneys from any of the Relevant Accounts without any reference to or further authority from the Security Agent except to the extent that the Security Agent gives you notice to the contrary following the occurrence of a Declared Default.

Upon and after the giving of such notice, the Company shall cease to be entitled to make any such withdrawal to the extent specified in the notice.

The Company confirms that:

- (a) in the event of any conflict between communications received from it and from the Security Agent following the occurrence of a Declared Default and notice thereof to the bank in which the Relevant Account is held, the communication from the Security Agent shall prevail;
- (b) none of the instructions, authorisations or confirmations in this Notice of Charge (the "**Notice**") can be revoked or varied in any way except with the Security Agent's specific written consent; and
- (c) any written notice or instructions given to you by the Security Agent in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Security Agent at [*insert address*] for the attention of [*officer/department*].

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
[insert name of relevant Chargor]

Part B - Form of Acknowledgement

[on duplicate]

To: [•]

Address: [•]

Attention: [•] [Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We agree to and confirm the following:

- (a) we accept and will comply with the terms of the Notice;
- (b) we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over or affecting any of the Relevant Accounts;
- (c) we have not claimed or exercised and will not claim or exercise (except with the Security Agent's prior written consent) any security interest, right of set-off, consolidation or counterclaim or any other right against or in respect of any of the Relevant Accounts, except in respect of our usual administrative and transactional fees and charges in relation to the Relevant Account in question; and
- (d) we shall not permit the Company to make any withdrawal from any of the Relevant Accounts after receipt by us of a notice from the Security Agent prohibiting such withdrawals to the extent specified in that notice.

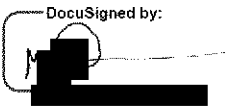
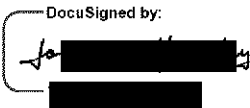
Yours faithfully

for and on behalf of
[name of relevant bank or financial institution]

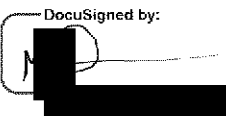

Execution Page

The Chargors

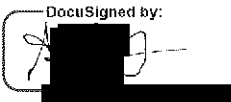
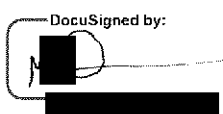
Executed as a deed by Virgin Active)
Investment Holdings Limited acting)
by:

Director  DocuSigned by:
Director  DocuSigned by:

Executed as a deed by Virgin Active)
Holdings Limited acting by:)

Director  DocuSigned by:
Director  DocuSigned by:

Executed as a deed by Virgin Active)
Limited acting by:)

Director  DocuSigned by:
Director  DocuSigned by:

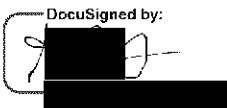
Executed as a deed by **Virgin Active**)
Health Clubs Limited acting by:)

Director  DocuSigned by:

Director  DocuSigned by:

Executed as a deed by **Esporta**)
Racquets and Non Racquets Holdings)
Limited acting by:

Director  DocuSigned by:

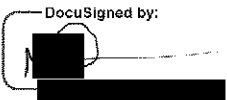
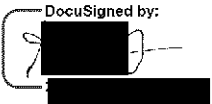
Director  DocuSigned by:

Executed as a deed by **Esporta**)
Racquets Limited acting by:)


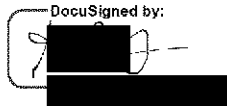
Director  DocuSigned by:

Director  DocuSigned by:

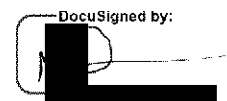

Executed as a deed by **Esporta Non Racquets Limited** acting by:)
)

Director  DocuSigned by:
Director  DocuSigned by:

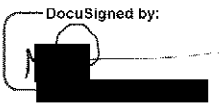
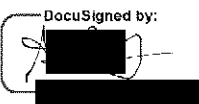
Executed as a deed by **Esporta Health & Fitness Limited** acting by:)
)

Director  DocuSigned by:
Director  DocuSigned by:

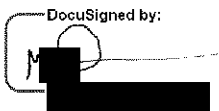
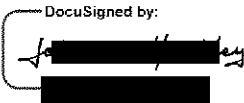
Executed as a deed by **Esporta Management Services Limited** acting by:)
)

 DocuSigned by:
 DocuSigned by:

Executed as a deed by **Esporta Tennis Clubs Limited** acting by:)
)

Director  DocuSigned by:
Director  DocuSigned by:

Executed as a deed by **Virgin Active Asia Pacific Holdings Limited** acting by:)
)

Director  DocuSigned by:
Director  DocuSigned by:

The Security Agent

Executed as a deed by HSBC Corporate)
Trustee Company (UK) Limited acting)
by)

DocuSigned by:
Authorised signatory 

DocuSigned by:
Witnessed by: 

Witness Name: Carole Braithwaite
Witness Address: 