



**Registration of a Charge**

Company name: **BUBBLEDOGS & LIMITED**

Company number: **07987470**



X65OQRE9

Received for Electronic Filing: **03/05/2017**

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**Details of Charge**

Date of creation: **27/04/2017**

Charge code: **0798 7470 0003**

Persons entitled: **AXIL DINING MEZZ LIMITED**

Brief description: **REAL PROPERTY: (A) BUBBLEDOGS & LIMITED (THE "CHARGOR") HAS CHARGED BY WAY OF A LEGAL MORTGAGE IN FAVOUR OF AXIL DINING MEZZ LIMITED (THE "SECURITY BENEFICIARY") ALL ITS RIGHT, TITLE AND INTEREST IN AND TO THE REAL PROPERTY IN ENGLAND AND WALES, DESCRIBED AS THE GROUND AND BASEMENT FLOORS OF 70 CHARLOTTE STREET, LONDON W1T 4QG, VESTED IN IT ON THE DATE OF THE SECURITY AGREEMENT DATED 27 APRIL 2017 BETWEEN CERTAIN COMPANIES AND THE SECURITY BENEFICIARY, AS ATTACHED TO THIS REGISTER OF CHARGE (THE "SECURITY AGREEMENT"). (B) TO THE EXTENT NOT THE SUBJECT OF A MORTGAGE UNDER (A) ABOVE, THE CHARGOR HAS CHARGED BY WAY OF A FIXED CHARGE IN FAVOUR OF THE SECURITY BENEFICIARY ALL ITS PRESENT AND FUTURE RIGHT, TITLE AND INTEREST IN AND TO ITS REAL PROPERTY. INTELLECTUAL PROPERTY: THE CHARGOR HAS CHARGED BY WAY OF A FIXED CHARGE IN FAVOUR OF THE SECURITY BENEFICIARY ALL ITS PRESENT AND FUTURE RIGHT, TITLE AND INTEREST IN AND TO ITS "INTELLECTUAL PROPERTY" AS DEFINED IN THE SECURITY AGREEMENT.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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## Authentication of Form

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

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## Authentication of Instrument

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

Certified by: **CHRISTOPHER BARRATT**



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

Company number: 7987470

Charge code: 0798 7470 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th April 2017 and created by BUBBLEDogs & Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd May 2017 .

Given at Companies House, Cardiff on 4th May 2017

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



**Companies House**



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

Certified a true and complete copy  
of the original

*Christopher Borraff*  
Freshfields Bruckhaus Deringer LLP

65 Fleet Street  
London  
EC4Y 1HS

Execution version

DATED

27 April 2017

**CERTAIN COMPANIES**  
as Chargers

**AXIL DINING MEZZ LIMITED**  
as Security Beneficiary

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## SECURITY AGREEMENT

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This Deed is entered into subject to the terms of the Intercreditor Agreement referred to  
in this Deed.



**Freshfields Bruckhaus Deringer**

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THIS DEED is made on 27 April 2017

BETWEEN:

- (1) EACH COMPANY listed in Schedule 1 (*Original Chargors*) as a chargor (each an *Original Chargor*); and
- (2) AXIL DINING MEZZ LIMITED an exempted company incorporated under the laws of the Cayman Islands with company registration number 321857 and having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands (the *Security Beneficiary*).

WHEREAS:

Each Chargor is required to enter into this Deed as a condition of the Finance Documents.

IT IS AGREED as follows:

## 1. INTERPRETATION

### 1.1 Definitions

In this Deed, unless the context otherwise requires or a contrary indication appears:

- (a) terms defined in the Intercreditor Agreement or the Mezzanine Finance Subscription Agreement have the same meanings when used in this Deed; and
- (b) in addition:

*Accession Document* means a deed of accession substantially in the form set out in Schedule 3 (*Form of deed of accession*) (or such other form as the Security Beneficiary and Yum Midco Limited may agree).

*Additional Chargor* means a person who has acceded to this Deed as an Additional Chargor by executing an Accession Document.

*Affiliate* has the meaning given to it in the Mezzanine Finance Subscription Agreement.

*Barclays Facility Agreement* means the £6,375,000 sterling revolving loan facility agreement, originally dated 18 May 2016, (as varied by a letter of variation on or about the date of this Agreement) between JKS Restaurants Holdings Limited and Barclays Bank PLC, as the same may be amended, varied or replaced from time to time.

*Barclays Security Deed* means the guarantee and debenture dated 28 April 2014 between certain members of the Group and Barclays Bank PLC as amended, novated, supplemented, extended or restated.

*Barclays Transaction Security* means the security created or expressed to be created pursuant to the Barclays Security Deed.

*CA 2006* means the Companies Act 2006.

*Certificated Investments* means Investments in certificated form.

**Chargor** means any Original Chargor or any Additional Chargor.

**Costs and Expenses** means any fees, costs, charges, losses, liabilities, expenses and other amounts (including legal, accountants' and other professional fees), including Taxes.

**Default Rate** means the rate of interest determined in accordance with clause 10.2 (*Default interest*) of the Mezzanine Finance Subscription Agreement.

**Dissolution** means any event or circumstance described in clause 20.7 (*Insolvency proceedings*) of the Mezzanine Finance Subscription Agreement.

**Enforcement Event** means the occurrence of an Event of Default which is continuing under the Mezzanine Finance Subscription Agreement in respect of which any notice has been issued by the Security Beneficiary under clause 20.16 (*Acceleration*) of the Mezzanine Finance Subscription Agreement in each case, to the extent not prohibited by the Intercreditor Agreement.

**Event of Default** means an Event of Default as defined in the Mezzanine Finance Subscription Agreement.

**Final Discharge Date** means the first date on which all Secured Obligations have been fully and finally discharged to the satisfaction of the Security Beneficiary, whether or not as the result of an enforcement, and the Security Beneficiary is under no further obligation to provide financial accommodation to any Obligor under the Finance Documents.

**Finance Documents** has the meaning given to it in the Mezzanine Finance Subscription Agreement.

**Group** means Yum Midco Limited and its Subsidiaries for the time being.

**Group Liabilities** means, in relation to a Chargor, all the Liabilities and all other present and future obligations and liabilities which at any time are, or are expressed to be, or may become, due, owing or payable by any member of the Group and/or any (direct or indirect) Holding Company or Subsidiary of any member of the Group, in each case, to that Chargor, both actual and contingent and whether incurred solely or jointly or severally, and as principal or surety or in any other capacity, including any Intra- Group Liabilities, and, in each case, all Related Rights.

**Holding Company** has the meaning given to it in Mezzanine Finance Subscription Agreement.

**IA 1986** means the Insolvency Act 1986.

**IA 2000** means the Insolvency Act 2000.

**Insurance Policy** means, in relation to a Chargor, any contract or policy of insurance of any kind (other than in relation to third party liabilities or similar claims) in which that Chargor has an interest and which relate to assets subject to a fixed charge under this Deed and all Related Rights.

**Intellectual Property** means, in relation to a Chargor, the following intellectual property rights in the United Kingdom:

- (i) any patents, trade marks, service marks, designs, logos, trade names, domain names, copyrights (including rights in computer software), database rights, semi-conductor topography rights, utility models, rights in designs, rights in get up, rights in inventions, rights in know-how, moral rights and other intellectual property rights and interests (which may now or in the future subsist), in each case whether registered or unregistered; and
- (ii) the benefit of all applications and all rights to use the assets referred to in paragraph (i) above (which may now or in the future subsist),

in which that Chargor legally or beneficially has an interest and, in each case, all Related Rights (and *registered* includes registrations and applications for registration).

**Intercreditor Agreement** has the meaning given to it in the Mezzanine Finance Subscription Agreement.

**Intra-Group Liabilities** has the meaning given to it in the Intercreditor Agreement.

**Investments** means all stocks, Shares, debentures, debenture stock, loan stock, bonds and securities issued by any Chargor and all other investments as listed in Part II of Schedule 3 to the Financial Services and Markets Act 2000:

- (i) which now or in the future represent a holding in a subsidiary undertaking (as defined in section 1162 of the CA 2006) or an undertaking which would be a subsidiary undertaking if in sub-section (2)(a) of that section “30 per cent or more” were substituted for a “majority”; or
- (ii) the certificates which are now or in the future deposited by each Chargor with the Security Beneficiary, or which, if uncertificated, are held in an escrow or other account in the favour of the Security Beneficiary or its nominee or to the order of the Security Beneficiary,

including in each case all rights and benefits arising and all money payable in respect of any of them, whether by way of conversion, redemption, bonus, option, dividend, interest or otherwise.

**Land Registry** means the Land Registry of England and Wales.

**Legal Reservations** has the meaning given to it in the Mezzanine Finance Subscription Agreement.

**Liabilities** means all present and future liabilities and obligations at any time of any Obligor to the Security Beneficiary, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (i) any refinancing, novation, deferral or extension;
- (ii) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;



- (iii) any claim for damages or restitution; and
- (iv) any claim as a result of any recovery by any Obligor of a Payment (as defined in the Intercreditor Agreement) on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

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

**LPMPA 1994** means the Law of Property (Miscellaneous Provisions) Act 1994.

**LRA 2002** means the Land Registration Act 2002.

**Material Adverse Effect** has the meaning given to it in the Mezzanine Finance Subscription Agreement.

**Mezzanine Finance Subscription Agreement** means the mezzanine finance subscription agreement dated on or about the date hereof and between, amongst others, Yum Midco Limited (as the company) and AXIL Dining Mezz Lender (as purchaser).

**Monetary Claims** means, in relation to a Chargor, any book and other debts and monetary claims of any nature (excluding any Group Liabilities) due, owing or payable to that Chargor and, in each case, all Related Rights.

**Obligor** means any Obligor as defined in the Mezzanine Finance Subscription Agreement.

**Party** means a party to this Deed.

**Plant and Machinery** means, in relation to a Chargor, any plant and machinery, vehicles, office equipment, computers and other chattels (excluding any forming part of its stock in trade or work in progress) in which that Chargor has an interest and, in each case, all Related Rights.

**PSC Register** means "PSC register" within the meaning of section 790C(10) of the CA 2006.

**Quasi-Security** has the meaning given to it in the Mezzanine Finance Subscription Agreement.

**Real Property** means, in relation to a Chargor:

- (i) any freehold, leasehold, licence or other interest in any immovable property in which that Chargor has an interest (including the property identified in respect of that Chargor in Part A (*Real Property*) of Schedule 2 (*Security Assets*) (if any)) and all Related Rights; and
- (ii) any buildings, trade and other fixtures or fittings forming part of the property referred to in paragraph (i) above and in which that Chargor has an interest and, in each case, all Related Rights.

**Receiver** means:

- (i) a receiver and manager or other receiver appointed under this Deed in respect of any Security Asset and shall, if allowed by law, include an administrative receiver; or
- (ii) any delegate or sub-delegate of any person referred to in paragraph (i) above appointed pursuant to the terms of this Deed.

**Related Rights** means, in relation to any asset:

- (i) all rights under any licence, agreement for sale, agreement for lease or other use or any supplemental or collateral agreement in respect of all or any part of that asset;
- (ii) all rights, easements, powers, benefits, claims, contracts, warranties, remedies, covenants for title, security, guarantees or indemnities in respect of, or appurtenant to, all or any part of that asset;
- (iii) all other assets or rights at any time receivable or distributable in respect of, or in exchange or substitution for, that asset;
- (iv) the proceeds of sale of all or any part of that asset;
- (v) any other monies or proceeds paid or payable in respect of all or any part of that asset; and
- (vi) in respect of any contract, agreement or instrument, any interest in that contract, agreement or instrument, whether or not the relevant Chargor is party to that contract, agreement or instrument.

**Relevant Interest** means any “relevant interest” (within the meaning of paragraph 2 of Schedule 1B to the CA 2006) in any Chargor or other member of the Group, and includes any Investments of any Chargor in any other Chargor or other member of the Group.

**Relevant Legal Entity** means, in respect of a company, a “legal entity” (within the meaning of section 790C(5) of the CA 2006) that is a “relevant legal entity” (within the meaning of section 790C(6) of the CA 2006) in relation to that company.

**Restrictions Notice** has the meaning given to “restrictions notice” in paragraph 1(2) of Schedule 1B to the CA 2006 and for the purposes of paragraph 1 of that Schedule.

**Secured Obligations** means all the Liabilities and all other present and future obligations and liabilities which at any time are, or are expressed to be, or may become, due, owing or payable by any Obligor to the Security Beneficiary under or in connection with the Finance Documents (including all monies covenanted to be paid under this Deed), both actual and contingent and whether incurred solely or jointly or severally, and as principal or surety or in any other capacity.

**Security Assets** means all the assets and undertaking of each Chargor from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) pursuant to this Deed.

**Shares** means, in relation to a Chargor:

- (i) shares in any member of the Group owned legally or beneficially by it or held by any nominee or the Security Beneficiary (or the Security Beneficiary's nominee) on behalf of that Chargor (including the shares identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any)); and
- (ii) any other shares forming part of its Investments that are identified in respect of that Chargor in Part B (*Shares*) of Schedule 2 (*Security Assets*) (if any)),

and, in each case, all Related Rights.

*Subsidiary* has the meaning given to it in the Mezzanine Finance Subscription Agreement.

*TA 2000* means the Trustee Act 2000.

*Tax* includes any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

*Third Parties Act* means the Contracts (Rights of Third Parties) Act 1999.

*Transaction Security* means the security interests constituted, created or evidenced (or expressed to be constituted, created or evidenced) in favour of the Security Beneficiary under this Deed or any other Transaction Security Document.

*Transaction Security Documents* has the meaning given to it in the Mezzanine Finance Subscription Agreement.

*Warning Notice* has the meaning given to "warning notice" in paragraph 1(2) of Schedule 1B to the CA 2006 and for the purposes of paragraph 1 of that Schedule.

## 1.2 Construction

- (a) Unless the context otherwise requires or a contrary indication appears in this Deed, the provisions of clause 1.2 (*Construction*) of the Mezzanine Finance Subscription Agreement shall apply to this Deed as if set out in full in this Deed except that references to "this Agreement" shall be construed as references to this Deed and:

- (i) *assets* includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
- (ii) *authorisation* or *consent* includes any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
- (iii) a *company* includes any company, corporation or other body corporate, wherever and however incorporated or established;
- (iv) this *Deed* or any other *Finance Document* or any other agreement, document or instrument, or any rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, is a reference to this Deed or other Finance Document or other agreement, document or instrument, or rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, in each case, as it may have been varied, amended, supplemented, replaced, extended, restated

or novated from time to time and includes a reference to any document which varies, amends, supplements, replaces, extends, restates, novates or is entered into, made or given pursuant to, or in accordance with, any of the terms of this Deed or, as the case may be, the relevant Finance Document or agreement, document or instrument, or the relevant rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system;

- (v) *include* or *including* shall be construed without limitation;
- (vi) *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;
- (vii) *law* includes any present or future common or customary law, principle of equity, and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, bye-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (viii) a *nominee* includes any nominee or custodian;
- (ix) a *person* includes any individual, firm, company, government, state or agency of a state, local or municipal authority, trust, association, joint venture, consortium, partnership or other entity (in each case, whether or not having separate legal personality);
- (x) *qualified person* means a person who, under the IA 1986, is qualified to act as a receiver of any asset of any company with respect to which he is appointed or an administrative receiver of that company;
- (xi) *rights* includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of every kind, and whether present, future or contingent); and
- (xii) *security* includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind, in each case, having the effect of securing any obligation of any person (including the deposit of monies or property with a person with the intention of affording that person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any "flawed asset" or "hold back" arrangement), and *security interest* shall be construed accordingly.

- (b) Unless the context otherwise requires or a contrary indication appears:

- (i) a reference in this Deed to any Investment includes:
  - (A) all dividends, interest, coupons and other distributions paid or payable;
  - (B) all stocks, shares, securities, rights, monies, allotments, benefits and other assets accruing or offered at any time by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise;
  - (C) any rights against any settlement or clearance system and
  - (D) any rights under any custodian or other agreement,
 in each case, in relation to that Investment;
- (ii) a reference in this Deed to a Security Asset includes:
  - (A) any part of that Security Asset;
  - (B) any proceeds of that Security Asset; and
  - (C) any present and future assets of the same type as that Security Asset;
- (iii) in this Deed a defined term includes its other cognate forms;
- (iv) in this Deed:
  - (A) *certificated* has the meaning given to it in the Uncertificated Securities Regulations 2001; and
  - (B) *clearance system* means a person whose business is, or includes, the provision of clearance services or security accounts or any nominee or depository for that person.
- (v) where this Deed refers to any provision of any other Finance Document and that Finance Document is amended in a manner that would result in that reference being incorrect, this Deed shall be construed so as to refer to that provision as renumbered in the amended Finance Document.
- (c) The terms of the other Finance Documents and of any side letters relating to the Finance Documents are incorporated in this Deed to the extent required for any contract for the purported disposition of any Security Asset contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) The fact that the details of any asset in any Schedule are incorrect or incomplete shall not affect the validity or enforceability of this Deed in respect of any asset of any Chargor.
- (e) References in this Deed to a *Clause* or *Schedule* are to a clause of, or schedule to, this Deed.
- (f) A person will not cease to be a member of the Group if it ceases to be a Subsidiary of Yum Midco Limited and continues to owe any Secured Obligations, Group Liabilities and Intra-Group Liabilities to the Security Beneficiary.

- (g) Where the terms of this Deed permit a Chargor to exercise a right or remedy under or in respect of any Security Asset which has been assigned to the Security Beneficiary under the terms of this Deed, that Chargor does so with the limited authority of the Security Beneficiary pursuant to the terms of this Deed and the Parties do not intend such limited authority to prevent, prejudice or impair any such assignment to the Security Beneficiary from satisfying in full all of the conditions set out in section 136 of the LPA 1925. Further, the Parties intend that such assignments are made on terms which satisfy in full all of those conditions.

### **1.3 Third parties**

- (a) Except as otherwise expressly provided in this Deed, the terms of this Deed may be enforced only by a Party and the operation of the Third Parties Act is excluded.
- (b) Notwithstanding any term of this Deed and subject to clause 22 (*Remedies, waivers, amendments and consents*) of the Intercreditor Agreement, no consent of a third party is required to rescind, terminate or amend this Deed.

### **1.4 Distinct security**

All Transaction Security shall be construed as creating separate and distinct security over each relevant asset within any particular class of assets defined or referred to in this Deed. The failure to create effective security, whether arising out of any provision of this Deed or any act or omission by any person, over any one such asset shall not affect the nature or validity of the security imposed on any other such asset, whether within that same class of assets or otherwise.

### **1.5 Chargor intent**

Without prejudice to the generality of any other provision of this Deed, each Chargor expressly confirms that it intends that this Deed and the Transaction Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any present or future facility or amount made available under any of the Finance Documents, including for the purposes of, or in connection with, any of the following: business acquisitions of any nature; increasing the commitments under any Finance Document; increasing the indebtedness (including adding a new facility) under any Finance Document; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any Costs and Expenses associated with any of the foregoing.

### **1.6 Implied covenants for title**

The obligations of each Chargor under this Deed are in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the LPMPA 1994.

### **1.7 Inconsistency between this Deed and the Intercreditor Agreement**

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Intercreditor Agreement, the provision of the Intercreditor Agreement shall prevail.

### **1.8 Inconsistency between this Deed and the Barclays Security Deed**

Notwithstanding the provisions, scope and nature of this Deed, the rights and obligations of the Security Beneficiary and each Chargor, and the extent of the security created or expressed to be created under this Deed shall be no more extensive or onerous than the Barclays Transaction Security under the Barclays Security Deed, whilst such remains in place.

## **2. COVENANT TO PAY**

- (a) Each Chargor shall, as primary obligor and not merely as surety, pay or discharge on demand all of the Secured Obligations when they become due in the manner provided for in the relevant Finance Document.
- (b) Each Chargor confirms to the Security Beneficiary that the amount secured by this Deed is the full amount of the Secured Obligations.

## **3. CREATION OF SECURITY**

### **3.1 Real Property**

- (a) Each Chargor charges by way of a legal mortgage in favour of the Security Beneficiary all its right, title and interest in and to the Real Property in England and Wales vested in it on the date of this Deed and listed in Part A of Schedule 2 (*Security Assets*).
- (b) To the extent not the subject of a mortgage under paragraph (a) above, each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Real Property.

### **3.2 Investments**

Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Investments.

### **3.3 Plant and Machinery**

Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Plant and Machinery attached to any Real Property.

### **3.4 Monetary Claims**

Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Monetary Claims.

### **3.5 Insurance Policies**

Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Insurance Policies.

### **3.6 Intellectual Property**

Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Intellectual Property.

### **3.7 Miscellaneous**

- (a) Each Chargor charges by way of a fixed charge in favour of the Security Beneficiary (to the extent not otherwise assigned, charged or mortgaged under Clauses 3.1 (*Real Property*) to 3.7 (*Intellectual Property*)) (inclusive)) all its present and future right, title and interest in and to:
- (i) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
  - (ii) its goodwill;
  - (iii) rights in relation to its uncalled capital;
  - (iv) any letter of credit issued in its favour; and
  - (v) any bill of exchange or other negotiable instrument held by it.
- (b) To the extent that a Security Asset is not effectively assigned, charged or mortgaged in favour of the Security Beneficiary in accordance with the applicable provisions of Clauses 3.1 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive), each Chargor shall hold on trust for the benefit of the Security Beneficiary all its present and future right, title and interest in and to that Security Asset.

### **3.8 Floating charge**

- (a) Each Chargor charges by way of a floating charge in favour of the Security Beneficiary all its present and future assets, property, business, undertaking and uncalled capital of whatever type and wherever located, in each case, together with all Related Rights.
- (b) The floating charge created by each Chargor pursuant to paragraph (a) above shall be without prejudice to, and shall rank behind, all Transaction Security that is a mortgage, an assignment or a fixed charge, but shall rank in priority to any other security interest created by any Chargor after the date of this Deed.
- (c) The floating charge created by each Chargor pursuant to paragraph (a) above is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the IA 1986. Paragraph 14 of Schedule B1 to the IA 1986 shall apply to this Deed.

## **4. CONVERSION OF FLOATING CHARGE**

### **4.1 Conversion by notice**

The Security Beneficiary may by notice in writing to a Chargor convert the floating charge created by that Chargor pursuant to paragraph (a) of Clause 3.8 (*Floating charge*) with immediate effect into one or more fixed charges over all or any of that Chargor's assets, rights and property specified in that notice if:

- (a) an Event of Default has occurred;
- (b) the Security Beneficiary considers any Security Asset subject to that floating charge to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or



- (c) the Security Beneficiary considers that such conversion is desirable in order to protect the value of any Security Asset or the priority of the Transaction Security.

#### **4.2 Moratorium – floating charge**

The floating charge created pursuant to paragraph (a) of Clause 3.8 (*Floating charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000.

#### **4.3 Reconversion to floating charge**

Any floating charge which has crystallised under Clause 4.1 (*Conversion by notice*) may, by notice in writing given at any time by the Security Beneficiary to the relevant Chargor, be reconverted into a floating charge under paragraph (a) of Clause 3.8 (*Floating charge*) in relation to the assets, rights and property specified in that notice. The conversion to a fixed charge and reconversion to a floating charge (or the converse) may occur any number of times.

#### **4.4 No waiver**

The giving by the Security Beneficiary of a notice under Clause 4.1 (*Conversion by notice*) in relation to any asset shall not be construed as a waiver or abandonment of the Security Beneficiary's rights to serve any notice in respect of any other asset under this Deed or any other Finance Document.

### **5. RELEASE AND REASSIGNMENT**

Subject to paragraph (d) of Clause 6 (*Provisions relating to Transaction Security*) and provided that, at the time of the request, no Enforcement Event has occurred, promptly after the Final Discharge Date, the Security Beneficiary shall, at the request and cost of Yum Midco Limited:

- (a) release and reassign to the relevant Chargor its rights, title and interest in and to the Security Assets; and
- (b) execute such notices and directions to any persons as the relevant Chargor may reasonably require in order to give effect to that release and reassignment,

in each case, without recourse to or any representation or warranty by the Security Beneficiary or any other person.

### **6. PROVISIONS RELATING TO TRANSACTION SECURITY**

- (a) All Transaction Security:

- (i) is created in favour of the Security Beneficiary;
- (ii) is created free from any security interest (other than the Barclays Transaction Security and any other security interest permitted under the Mezzanine Finance Subscription Agreement);
- (iii) is created over the present and future assets of each Chargor; and
- (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all amounts

payable under the Finance Documents and shall remain in full force and effect until the Final Discharge Date. No part of the Transaction Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

- (b) If a Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a *restricted asset*) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a *Restrictive Contract*) binding on that Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group or any Affiliate of any member of the Group, each a *counterparty*) has not been obtained, then:
  - (i) that Chargor shall notify the Security Beneficiary of the same immediately;
  - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;
  - (iii) unless the Security Beneficiary otherwise requires, that Chargor shall obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Security Beneficiary; and
  - (iv) on and from the date on which that Chargor obtains the consent of each relevant counterparty, that restricted asset shall become subject to a mortgage, an assignment or a fixed charge in favour of the Security Beneficiary under each provision of Clause 3 (*Creation of security*) which applies to the class of asset corresponding to that restricted asset.
- (c) The Transaction Security created pursuant to this Deed by each Chargor is made with full title guarantee under the LPMPPA 1994.
- (d) If the Security Beneficiary considers that any payment, security or guarantee provided to it under or in connection with any Finance Document is capable of being avoided, reduced or invalidated by virtue of any applicable law, notwithstanding any reassignment or release of any Security Asset, the liability of each Chargor under this Deed and the Transaction Security shall continue as if those amounts had not been paid or as if any such security or guarantee had not been provided.
- (e) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed:
  - (i) shall be complied with at all times during the period commencing on the date of this Deed and ending on the Final Discharge Date; and
  - (ii) is given by that Chargor for the benefit of the Security Beneficiary.
- (f) Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform, and shall observe and perform, all conditions and obligations assumed by it in relation to any of its Security Assets. The Security Beneficiary is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

- (g) If any Security Asset of any Chargor is held by any person (including any nominee) on behalf of that Chargor, that Chargor shall procure that any such person performs the obligations of that Chargor in respect of that Security Asset under this Deed.

## **7. RESTRICTION ON DEALINGS**

### **7.1 Restriction on dealings**

No Chargor shall:

- (a) create or permit to subsist any security or Quasi-Security on any of the Security Assets; or
- (b) (whether by a single transaction or a number of related or unrelated transactions and whether voluntarily or involuntarily) assign, charge, lease, transfer or otherwise dispose of all or any part of its right, title and interest in and to any Security Asset,

unless permitted to do so under the Mezzanine Finance Subscription Agreement.

### **7.2 Moratorium – disposals**

The obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000 shall not, by itself, cause restrictions in this Deed or any other Finance Document that would not otherwise apply to be imposed on the disposal of property by any Chargor.

## **8. REPRESENTATIONS AND WARRANTIES**

### **8.1 General representations and warranties**

Subject to the Intercreditor Agreement, each Chargor represents and warrants to the Security Beneficiary that:

- (a) it is the sole legal and beneficial owner of, and absolutely entitled to, the assets that it purports to mortgage, charge or assign under this Deed;
- (b) it has not mortgaged, charged or assigned or otherwise encumbered or disposed of any of the assets that it purports to mortgage, charge or assign under this Deed, in each case, other than pursuant to the Barclays Security Deed as expressly permitted or as expressly permitted under the Mezzanine Finance Subscription Agreement;
- (c) the assets that it purports to mortgage, charge or assign under this Deed are free from any security, Quasi-Security or option to purchase or similar right, in each case, other than as expressly permitted under the Barclays Facility Agreement and the Mezzanine Finance Subscription Agreement;
- (d) its Security Assets exist and, to the extent that any of its Security Assets is comprised of rights and/or remedies under or in respect of any instrument, document, agreement or arrangement (including any Monetary Claim, Insurance Policy, or Intellectual Property), that instrument, document, agreement or arrangement is valid, legally binding and, subject to the Legal Reservations, enforceable in accordance with its terms in each case where failure to comply with this paragraph (d) would have or would reasonably be likely to have a Material Adverse Effect under (and as defined in) the Mezzanine Finance Subscription Agreement; and

- (e) subject to the Intercreditor Agreement and the Barclays Facility Agreement no instrument, document, agreement or arrangement to which any Chargor is a party contains any prohibition on the creation, perfection or enforcement (or purported creation, perfection or enforcement) of any Transaction Security (including any transfer of title in any Security Asset pursuant to any such enforcement) and the entry into and performance by each Chargor of its obligations under this Deed do not conflict with any term of any instrument, document, agreement or arrangement to which it is a party in each case where such prohibition or conflict would have or would reasonably be likely to have a Material Adverse Effect under (and as defined in) the Mezzanine Finance Subscription Agreement.

## **8.2 Times for making representations and warranties**

The representations and warranties set out in this Deed (including in Clause 8.1 (*General representations and warranties*), Clause 9.1 (*Information*), Clause 10.1 (*Representations and warranties – Investments*) and Clause 12.1 (*Representations and warranties – Insurance Policies*)) are subject to the Intercreditor Agreement:

- (a) made by each Chargor on the date of this Deed (or the date on which that Chargor accedes to this Deed); and
- (b) (unless expressed to be given at a specific date) deemed to be repeated by each Chargor on each date before the Final Discharge Date on which any of the representations and warranties set out in clause 16 (*Representations*) of the Mezzanine Finance Subscription Agreement are repeated,

in each case by reference to the circumstances existing at that time.

## **9. REAL PROPERTY**

### **9.1 Information**

Each Chargor represents and warrants to the Security Beneficiary that:

- (a) the information provided by that Chargor as to address, tenure, start date of lease, parties to lease, term and current rent was true in all material respects at the date it was expressed to be given and (if later) as at the date of this Deed; and
- (b) as at the date of this Deed (or the date on which that Chargor accedes to this Deed), nothing has occurred since the date on which the information referred to in paragraph (a) above was provided which, if disclosed, would make that information untrue or misleading in any material respect.

### **9.2 Documents of title relating to Real Property**

At any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed, each Chargor shall, immediately after the acquisition by that Chargor of any estate or interest in any Real Property or the creation of any new legal interest in any Real Property (including the grant of any new lease):

- (a) deposit all deeds and documents of title relating to its Real Property with the Security Beneficiary (or as the Security Beneficiary may direct); or

- (b) deliver to the Security Beneficiary a solicitor's undertaking from a firm of solicitors regulated by the Law Society of England and Wales to hold such deeds and documents of title to the order of the Security Beneficiary (such firm and the terms of the undertaking to be acceptable to the Security Beneficiary).

The Security Beneficiary is entitled to hold and retain all such deeds and documents of title or the benefit of such undertaking (as the case may be) until the Final Discharge Date or, if earlier, until the Real Property to which the relevant deeds or documents of title relate is released from the Transaction Security in accordance with the Finance Documents.

### **9.3 Property obligations**

- (a) Each Chargor must at all times keep all buildings, plant, machinery, fixtures, fittings and other effects charged under this deed in good repair and in good working order and condition.
- (b) Each Chargor must notify the Security Beneficiary promptly of any indication given to it that any of its Real Property is or may be listed in a register of contaminated land or contaminative use, or similar register.
- (c) Each Chargor must notify the Security Beneficiary if any environmental or other condition exists which could have a Material Adverse Effect on the value of the Real Property.
- (d) Each Chargor shall indemnify the Security Beneficiary, and the Security Beneficiary's employees and agents, at all times against every claim, liability, loss or expense incurred directly or indirectly as a result of a Chargor's failure to comply with any of its obligations, whether statutory or contractual relating the Real Property.

### **9.4 Leases, possession, consolidation of mortgages**

- (a) No Chargor may, without the Security Beneficiary's prior written consent, exercise any power of leasing, or accepting surrenders of leases of, any Real Property, or (unless obliged to do so by law) extend, renew or vary any lease or tenancy agreement or give any licence to assign or underlet.
- (b) None of you may part with possession (otherwise than on the determination of any lease, tenancy or licence granted to you) of any Real Property or share the occupation of it with any person, or agree to do so, without the Security Beneficiary's prior written consent.
- (c) Section 93 of the Law and Property Act 1925 dealing with the consolidation of mortgages will not apply to this Deed.

### **9.5 Land Registry and perfection**

- (a) Each Chargor undertakes to make a due application (or procure that such an application is made) to the Land Registry within five Business Days after the date of this Deed, in respect of all of its Real Property located in England and Wales and listed in Part A of Schedule 2 (*Secured Assets*) (and, as proprietor of the relevant registered estate or the party entitled to be registered as such a proprietor (as the case may be), consents to such an application being made by or on behalf of the Security Beneficiary):

- (i) to register the legal mortgage created pursuant to this Deed in favour of the Security Beneficiary;
  - (ii) to enter a restriction in the following terms on the relevant register of title:
 

“No [[disposition]/[or specify type of disposition]] of the registered estate [(other than a charge)] 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 in the security agreement dated [ ] in favour of [ ] referred to in the charges register or its conveyancer”; and
  - (iii) to enter a notice of the obligation of AXIL Dining Mezz Limited to make further advances to Yum Midco Limited.
- (b) Immediately following the completion of the Land Registry application referred to in paragraph (a) above, each Chargor shall notify the Security Beneficiary of the same and supply updated official copies of the relevant registers of title to the Security Beneficiary or as the Security Beneficiary may otherwise direct.
- (c) Each Chargor shall immediately following the execution of this Deed:
- (i) provide written notice to the landlord of any leasehold property forming part of that Chargor's Real Property of any mortgage or charge created pursuant to this Deed, such notice to be in a form satisfactory to the Security Beneficiary and in accordance with the terms of the relevant lease; and
  - (ii) use reasonable endeavours to procure that each such landlord delivers to the Security Beneficiary a written acknowledgment of the notice referred to in paragraph (i) above in a form satisfactory to the Security Beneficiary.

#### **9.6 Future Real Property**

- (a) Each Chargor shall immediately notify the Security Beneficiary of any contract, conveyance, transfer or other disposition for the acquisition by it (or its nominee) of any Real Property.
- (b) In respect of any estate or interest in any Real Property acquired by any Chargor after the date of this Deed, that Chargor shall (at its own cost):
  - (i) immediately following the acquisition, execute and deliver, or procure that there is executed and delivered, to the Security Beneficiary one of the following:
    - (A) if that estate or interest relates to Real Property in England and Wales, a legal mortgage of that Real Property in favour of the Security Beneficiary, in the form required by the Security Beneficiary, that is supplemental to, and on the terms and conditions of, this Deed; or
    - (B) if that estate or interest relates to Real Property outside England and Wales, an instrument appropriate to create a security interest equivalent to that set out in paragraph (A) above in that jurisdiction

in respect of that Real Property in favour of the Security Beneficiary, containing such terms and conditions as the Security Beneficiary may require,

in each case, to secure the payment and discharge of the Secured Obligations (and, pending the execution of any such instrument, that Chargor shall hold all its estate and interest in that Real Property on trust for the Security Beneficiary, as security for the Secured Obligations);

- (ii) if title to that estate or interest is (either before or after the acquisition) registered or required to be registered under the LRA 2002, within five Business Days after the acquisition:
  - (A) duly register its acquisition of that Real Property at the Land Registry;
  - (B) as part of the application to the Land Registry to make the registration referred to in paragraph (A) above, make a due application (or procure that such an application is made) to register the legal mortgage created in accordance with paragraph (b)(i)(A) above and to enter a restriction and a notice on the relevant registers of title, in each case, in accordance with paragraph (a) of Clause 9.5 (*Land Registry and perfection*) or otherwise as required by the Security Beneficiary; and
  - (C) immediately following the completion of the Land Registry applications referred to in paragraphs (A) and (B) above, notify the Security Beneficiary of the same and supply updated official copies of the relevant registers of title to the Security Beneficiary or as the Security Beneficiary may otherwise direct; and
- (iii) if that estate or interest is leasehold property, immediately following the acquisition, provide a written notice to the relevant landlord and use reasonable endeavours to procure that such landlord delivers to the Security Beneficiary a written acknowledgment of that notice, in each case, in accordance with paragraph (c) of Clause 9.5 (*Land Registry and perfection*) or otherwise as required by the Security Beneficiary.

#### **9.7 Title investigation**

Subject to the terms of the Intercreditor Agreement, on and after the occurrence of an Enforcement Event, each Chargor shall:

- (a) grant the Security Beneficiary and its lawyers all facilities within the power of that Chargor to carry out investigations of title in respect of any Real Property and to make such enquiries in relation to any Real Property as a prudent mortgagee might carry out; and
- (b) as soon as practicable following a request by the Security Beneficiary, supply a report as to the title of that Chargor in respect of any of its Real Property in relation to those matters which might properly be sought to be covered by a prudent mortgagee in a report of that nature.

## **9.8 Default – Real Property**

- (a) If any Chargor fails to comply with any provision of this Clause 9, the Security Beneficiary (and its agents and contractors) shall be entitled to do such things as the Security Beneficiary considers are necessary or desirable to remedy that failure.
- (b) Each Chargor shall immediately on demand by the Security Beneficiary pay the Costs and Expenses of the Security Beneficiary (and its agents and contractors) incurred in connection with any action taken under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed.

## **10. INVESTMENTS**

### **10.1 Representations and warranties – Investments**

Subject to the Intercreditor Agreement each Chargor represents and warrants to the Security Beneficiary that:

- (a) the Investments which it purports to mortgage or charge under this Deed are duly authorised, validly issued and fully paid;
- (b) it has not nominated any person (other than the Security Beneficiary or the Security Beneficiary's nominee) to enjoy or exercise any right relating to those Investments pursuant to Part 9 of the CA 2006 or otherwise;
- (c) it is the sole legal and beneficial owner of those Investments;
- (d) other than pursuant to the Barclays Security Deed, there is nothing in its (or any other member of the Group's) constitutional documents or any instrument, document, agreement or arrangement to which it (or any other member of the Group) is a party or otherwise which restricts or prohibits its entry into, or the performance by it of its obligations under, this Deed or which could impede or impair any right or remedy of the Security Beneficiary under or in respect of this Deed, including in respect of the perfection of any transfer of any Investments of any Chargor in each case in a manner which would have or would be reasonably likely to have a Material Adverse Effect;
- (e) it (and each other member of the Group) is in compliance with its obligations under the CA 2006 and any associated law (and has complied with those obligations within any necessary timeframes) and has complied with the terms of any notice that it has received under section 790D or 790E of the CA 2006 within the timeframe specified in that notice;
- (f) it has not (and no other member of the Group has) received a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group;
- (g) it has not (and no other member of the Group has) issued a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group; and



- (h) the copy of its PSC Register (and that of each other member of the Group, in each case, if that Chargor or other member of the Group is required to maintain one) that was delivered to the Security Beneficiary on the date of this Deed:
  - (i) is correct, complete and in full force and effect;
  - (ii) has not been amended or superseded since that date; and
  - (iii) sets out the “required particulars” (within the meaning of section 790K of the CA 2006) and any other information prescribed under Part 21A of the CA 2006 (including section 790M) and/or any associated law, in each case, in relation to all of the Relevant Legal Entities and Persons with Significant Control that are “registrable” (within the meaning of section 790C(4) or section 790C(8), as applicable) in respect of that Chargor (or that other member of the Group) in accordance with Part 21A of the CA 2006.

## **10.2 Perfection – Investments**

- (a) Subject to the Intercreditor Agreement, each Chargor shall at any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed, immediately upon becoming entitled to any Certificated Investment, deliver to the Security Beneficiary or otherwise as the Security Beneficiary may direct, in the agreed form:
  - (i) all certificates, documents of title and other documentary evidence of ownership relating to its Certificated Investments; and
  - (ii) all transfers duly executed by that Chargor (or its nominee) in respect of its Certificated Investments, undated and with the name of the transferee left blank or, if the Security Beneficiary requires, in favour of the Security Beneficiary (or the Security Beneficiary’s nominee).
- (b) Subject to the Intercreditor Agreement, each Chargor shall at any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed, immediately upon becoming entitled to any Investment:
  - (i) deliver to the Security Beneficiary or otherwise as the Security Beneficiary may direct, in the agreed form, all documents that the Security Beneficiary may require in respect of that Chargor’s Investments (unless delivered by that Chargor pursuant to paragraph (a) above), including any documentary evidence of ownership in respect of those Investments and any documents to enable the Security Beneficiary (or the Security Beneficiary’s nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to, those Investments;
  - (ii) in respect of any of its Investments that are held by any nominee:
    - (A) provide written notice to that nominee of any mortgage or charge created pursuant to this Deed in any form that the Security Beneficiary may require; and
    - (B) procure that the nominee delivers to the Security Beneficiary a written acknowledgment of the notice referred to in paragraph (A) above in any form that the Security Beneficiary may require; and

- (iii) terminate, with immediate effect, any rights of any person (other than the Security Beneficiary or the Security Beneficiary's nominee) to enjoy or exercise any right relating to any of that Chargor's Investments whether pursuant to Part 9 of the CA 2006 or otherwise.

### **10.3 Changes to Investments**

- (a) Other than as expressly permitted under the Mezzanine Finance Subscription Agreement or as contemplated under the Sale and Purchase Agreement no Chargor shall take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which:
  - (i) may result in the rights attaching to, in respect of or conferred by any Investments of any Chargor being altered in a manner which is adverse to the interests of the Security Beneficiary or Barclays Bank PLC in its capacity as secured party under the Barclays Security Deed;
  - (ii) may prejudice the value of any Investments of any Chargor or the ability of the Security Beneficiary or Barclays Bank PLC in its capacity as secured party under the Barclays Security Deed to realise the Transaction Security or the Barclays Transaction Security in respect of those Investments; or
  - (iii) is otherwise inconsistent with the terms of any Finance Document, the Barclays Facility Agreement or the Intercreditor Agreement.
- (b) Immediately following the acquisition by any Chargor (or its nominee) of any Investments after the date of this Deed, that Chargor shall notify the Security Beneficiary of the same.

### **10.4 Rights after Enforcement Event**

- (a) Subject to the Intercreditor Agreement and at any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed, on and after the occurrence of an Enforcement Event at any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed:
  - (i) the Security Beneficiary (or its nominee) may exercise (or refrain from exercising) any voting rights, powers and other rights in respect of any Investments of any Chargor as it sees fit and without any further consent or authority on the part of any Chargor; and
  - (ii) each Chargor irrevocably appoints the Security Beneficiary (or the Security Beneficiary's nominee) as its proxy to exercise all voting rights, powers and other rights in respect of its Investments with effect from the occurrence of that Voting Event to the extent that those Investments remain registered in that Chargor's name (or that of its nominee).
- (b) Subject to the Intercreditor Agreement on and after the occurrence of an Enforcement Event subject to paragraph (a) above, each Chargor shall comply with or procure the compliance with any directions of the Security Beneficiary (or the Security Beneficiary's nominee) in respect of any Chargor's Investments.

#### **10.5 Other obligations relating to Investments**

- (a) Subject to the Intercreditor Agreement, at any time when any Investments of a Chargor have been registered in the name of the Security Beneficiary (or the Security Beneficiary's nominee), the Security Beneficiary (or its nominee, as applicable) shall not be under any duty to ensure that any dividends or other income or distributions paid or payable in respect of those Investments are duly and promptly paid or received by it (or its nominee).
- (b) Each Chargor shall indemnify the Security Beneficiary (or the Security Beneficiary's nominee, as applicable) against any loss or liability incurred by the Security Beneficiary (or its nominee) as a consequence of the Security Beneficiary (or its nominee) acting at the direction of a Chargor in respect of any of its Investments.
- (c) Each Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Investments.
- (d) Subject to the Intercreditor Agreement, no Chargor shall nominate any person, other than the Security Beneficiary (or the Security Beneficiary's nominee) or Barclays Bank PLC pursuant to the Barclays Security Deed to enjoy or exercise any right relating to any of its Investments whether pursuant to Part 9 of the CA 2006 or otherwise.
- (e) Immediately following the receipt by any Chargor or any other member of the Group (or, in each case, its nominee) of any notice issued under section 790D or 790E of the CA 2006 or any Warning Notice or Restrictions Notice issued under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group that Chargor (and Yum Midco Limited shall procure that such other member of the Group) shall notify the Security Beneficiary of that receipt and immediately provide to the Security Beneficiary a copy of that notice, correspondence or other communication.
- (f) Without prejudice to paragraph (i) below, each Chargor (and Yum Midco Limited shall procure that each other member of the Group) shall:
  - (i) notify the Security Beneficiary of its intention to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group; and
  - (ii) provide to the Security Beneficiary a copy of that Warning Notice or Restrictions Notice,in each case, at least five Business Days before that Chargor (or that other member of the Group) issues the Warning Notice or Restrictions Notice.
- (g) Each Chargor (and Yum Midco Limited shall procure that each other member of the Group) shall immediately:
  - (i) notify the Security Beneficiary of any change that it makes to its PSC Register (if it is required to maintain one); and

- (ii) provide to the Security Beneficiary a copy of its updated PSC Register (if it is required to maintain one) in form and substance satisfactory to the Security Beneficiary.
- (h) Each Chargor (and Yum Midco Limited shall procure that each other member of the Group) shall:
  - (i) comply with its obligations under the CA 2006 and any associated law within any necessary timeframes;
  - (ii) comply with the terms of any notice that it receives under section 790D or 790E of the CA 2006 within the timeframe specified in that notice; and
  - (iii) comply with any other request for information that it receives in respect of any Investments of any Chargor or any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, or that is made under any law or regulation or by any listing or other authority or pursuant to any provision contained in any articles of association or other constitutional document, in each case, within the timeframe specified in that request or any other necessary timeframe,

and, in respect of paragraphs (h)(ii) and (h)(iii) above, immediately following compliance with the notice or request, that Chargor (and Yum Midco Limited shall procure that such other member of the Group) shall provide to the Security Beneficiary a copy of its response to that notice or request.
- (i) No Chargor (and Yum Midco Limited shall procure that no other member of the Group) shall exercise its right to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group.
- (j) No Chargor (and Yum Midco Limited shall procure that no other member of the Group) shall make any application (or similar) to the court under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group without the Security Beneficiary's consent.
- (k) Each Chargor (and Yum Midco Limited shall procure that each other member of the Group) shall actively assist the Security Beneficiary with any application (or similar) to the court that it makes under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, and provide the Security Beneficiary with all information, documents and evidence that it may reasonably request in connection with the same.
- (l) Each Chargor authorises the Security Beneficiary to:
  - (i) comply with the terms of any notice that the Security Beneficiary receives under section 790D of the CA 2006; and
  - (ii) (on behalf of that Chargor) respond to:

- (A) any notice that such Chargor receives under section 790D or 790E of the CA 2006, where that Chargor fails to comply with the terms of that notice within the timeframe specified in that notice; and
- (B) any request referred to in paragraph (h)(iii) above received by that Chargor, where that Chargor fails to comply with the terms of that request within the timeframe specified in that request or any other necessary timeframe,

and each Chargor waives any breach of clause 32 (*Confidential Information*) of the Mezzanine Finance Subscription Agreement that may occur as a result of the Security Beneficiary taking any action under this paragraph (l).

#### **10.6 Default – Investments**

- (a) If any Chargor fails to make payment of any calls or other payments that may be or become due in respect of any of its Investments, the Security Beneficiary (or the Security Beneficiary's nominee) may make such payment on behalf of that Chargor.
- (b) Subject to the Intercreditor Agreement each Chargor shall immediately on demand by the Security Beneficiary reimburse the Security Beneficiary (or the Security Beneficiary's nominee, as applicable) for all Costs and Expenses incurred by the Security Beneficiary (or its nominee) in connection with any payment made under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed.

#### **10.7 Settlement and clearance systems**

- (a) Each Chargor shall:
  - (i) instruct (or procure that its nominee instructs) any settlement or clearance system to transfer any Investment held by that settlement or clearance system for that Chargor (or its nominee) to an account of the Security Beneficiary (or the Security Beneficiary's nominee) or to such other account as the Security Beneficiary may direct, in each case, with that settlement or clearance system; and
  - (ii) take whatever action the Security Beneficiary may request for the dematerialisation or rematerialisation of any Investments held in a settlement or clearance system.
- (b) Subject to the Intercreditor Agreement, the Security Beneficiary may, at the expense of each Chargor, take whatever action the Security Beneficiary considers necessary for the dematerialisation or rematerialisation of any Investments of any Chargor.

### **11. PLANT AND MACHINERY**

#### **11.1 General obligations relating to Plant and Machinery**

Each Chargor shall keep its Plant and Machinery in good repair and in good working order and condition.

## **12. INSURANCE POLICIES**

### **12.1 Representations and warranties – Insurance Policies**

Each Chargor represents and warrants to the Security Beneficiary that each of its Insurance Policies is, subject to the Legal Reservations, valid, legally binding and enforceable in accordance with its terms.

### **12.2 Other obligations relating to Insurance Policies**

- (a) Subject to the terms of the Intercreditor Agreement, each Chargor shall:
  - (i) take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its Insurance Policies, provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents;
  - (ii) keep the Security Assets insured;
  - (iii) without prejudice to the generality of any other provision of this Clause 12 and without limiting any assignment under this Deed:
    - (A) promptly pay all premiums and other monies payable under or in connection with any of its Insurance Policies and supply to the Security Beneficiary a copy of each of its Insurance Policies and evidence reasonably satisfactory to the Security Beneficiary of the payment of those amounts; and
    - (B) not take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which might render any of its Insurance Policies void, voidable or unenforceable.
- (b) Subject to the terms of the Intercreditor Agreement, no Chargor shall, or shall purport to, amend or waive any term of, or terminate, any of its Insurance Policies (or agree to do so) unless permitted by the Mezzanine Finance Subscription Agreement or the Barclays Facility Agreement.
- (c) Before the occurrence of an Enforcement Event but subject to the other provisions of this Clause 12.2, each Chargor shall be entitled to exercise all of the rights and remedies expressed to be given to it under or in respect of its Insurance Policies and any associated rights and remedies.

### **12.3 Default – Insurance Policies**

- (a) At any time following the full and final discharge of the secured obligations (howsoever described) under the Barclays Security Deed, if any Chargor fails to comply with any provision of this Clause 12, the Security Beneficiary may effect or renew any Insurance Policy on such terms, in such name(s) and in such amount(s) as it considers to be necessary or desirable.
- (b) Each Chargor shall immediately on demand by the Security Beneficiary reimburse the Security Beneficiary for all Costs and Expenses incurred by the Security Beneficiary in connection with any action taken under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and

including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed.

#### **12.4 Exercise of rights on Enforcement Event**

Subject to the terms of the Intercreditor Agreement, on and after the occurrence of an Enforcement Event:

- (a) the Security Beneficiary may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any Chargor's rights or remedies (including direction of any payments to the Security Beneficiary) under or in respect of any of its Insurance Policies; and
- (b) each Chargor shall hold any payment that it receives under or in respect of its Insurance Policies on trust for the Security Beneficiary, pending payment to the Security Beneficiary for application in accordance with Clause 19 (*Application of proceeds*), and each Chargor waives its rights to any such payment.

### **13. ENFORCEMENT OF TRANSACTION SECURITY**

#### **13.1 Timing and manner of enforcement**

- (a) Subject to the terms of the Intercreditor Agreement, the Transaction Security shall become enforceable and the powers referred to in Clause 13.2 (*Extension and variation of powers under the LPA 1925*) shall become exercisable immediately:
  - (i) upon the occurrence of an Enforcement Event;
  - (ii) if any Dissolution occurs;
  - (iii) if a Chargor requests the Security Beneficiary to exercise any of its powers under this Deed;
  - (iv) upon the appointment of a Receiver or any person exercising any right or remedy in respect of any security over any Security Asset or any other asset of any Chargor; or
  - (v) if otherwise specified in any other provision of this Deed.
- (b) Notwithstanding paragraph (a) above, if the giving of any notice, notification or instruction, the making of any filing or the taking of any perfection step or similar is necessary or, in the reasonable opinion of the Security Beneficiary, desirable for the purposes of perfecting any Transaction Security or protecting any right or remedy of the Security Beneficiary under or in connection with this Deed, the Security Beneficiary may, subject to the terms of the Intercreditor Agreement, take that action upon the occurrence of an Event of Default.
- (c) Without prejudice to any other provision of this Deed, but subject to the terms of the Intercreditor Agreement, immediately after the Transaction Security has become enforceable, the Security Beneficiary may, in its absolute and sole discretion and without notice to any Chargor or prior authorisation from any person, court or similar body:

- (i) enforce all or any part of the Transaction Security and require the payment or transfer to it of any amounts, proceeds or assets held on trust by a Chargor for its benefit;
- (ii) in the case of any right or remedy comprising or in respect of any Security Asset that has been assigned to the Security Beneficiary under this Deed, exercise any such right or remedy as assignee; and/or
- (iii) exercise all or any of the powers, authorities and discretions conferred on the Security Beneficiary:
  - (A) by the Intercreditor Agreement and/or the other Finance Documents (including this Deed); or
  - (B) otherwise by law on mortgagees, chargees, assignees, receivers (whether or not the Security Beneficiary has appointed a Receiver) and/or administrators (whether or not any Chargor is in administration),

in each case, at the times, in the manner and on the terms that it sees fit, or as otherwise directed in accordance with the terms of the Intercreditor Agreement and/or the other Finance Documents.

- (d) The Security Beneficiary shall not (and no agent, employee or officer of the Security Beneficiary shall) be liable to any Chargor for any loss arising from the manner in which the Security Beneficiary enforces or refrains from enforcing the Transaction Security, and any such person who is not a Party may rely on this paragraph (d) and enforce its terms under the Third Parties Act.
- (e) Without prejudice to any other provision of this Deed, but subject to the terms of the Intercreditor Agreement, upon and after the Transaction Security becoming enforceable, each Chargor shall hold its Security Assets on trust for the Security Beneficiary.

### **13.2 Extension and variation of powers under the LPA 1925**

- (a) The Secured Obligations shall be deemed to have become due and payable on the date of this Deed for the purposes of section 101 of the LPA 1925.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) and all other powers conferred on a mortgagee by law shall be deemed to arise immediately after execution of this Deed.
- (c) Any restriction imposed by law on the power of sale (including under section 103 of the LPA 1925) or the right of a mortgagee to consolidate mortgages (including under section 93 of the LPA 1925) shall not apply to the Transaction Security or this Deed.
- (d) The Security Beneficiary may lease, make agreements for leases at a premium or otherwise, surrender, rescind or agree or accept surrenders of leases and grant options on such terms and in such manner as it shall consider fit without the need to comply with any of the provisions of sections 99 and 100 of the LPA 1925. For the purposes of sections 99 and 100 of the LPA 1925, the expression "mortgagor" shall include any encumbrancer deriving title under the original mortgagor and section 99(18) of the LPA 1925 and section 100(12) of the LPA 1925 shall not apply.



### 13.3 Contingencies

If the Transaction Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Beneficiary (or a Receiver) may, subject to the terms of the Intercreditor Agreement and in accordance with Clause 20.1 (*Order of application*) of this Deed, pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate.

### 13.4 Exercise of powers

All or any of the powers conferred on mortgagees by the LPA 1925 as varied or extended by this Deed (and all or any of the rights and powers conferred by this Deed on a Receiver) (in each case, whether express or implied) may be exercised by the Security Beneficiary without further notice to any Chargor at any time after the occurrence of an Enforcement Event, irrespective of whether the Security Beneficiary has taken possession of any Security Asset or appointed a Receiver.

### 13.5 Protection of third parties

- (a) No person (including a purchaser) dealing with the Security Beneficiary or a Receiver or any of its or their respective agents shall be concerned to enquire:
- (i) whether the Secured Obligations have become payable;
  - (ii) whether any power which the Security Beneficiary or that Receiver may purport to exercise has become exercisable or is being properly exercised;
  - (iii) whether any amount remains due under the Finance Documents; or
  - (iv) how any money paid to the Security Beneficiary or to that Receiver is to be applied,
- and any such person who is not a Party may rely on this paragraph (a) and enforce its terms under the Third Parties Act.
- (b) Any person (including a purchaser) dealing with the Security Beneficiary or a Receiver shall benefit from the protections given to purchasers (as that term is used in the LPA 1925) from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver by section 42(3) of the IA 1986, and any such person who is not a Party may rely on this paragraph (b) and enforce its terms under the Third Parties Act.
- (c) The receipt by the Security Beneficiary or any Receiver of any monies paid to the Security Beneficiary or that Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person (including a purchaser) dealing with the Security Beneficiary or that Receiver of any obligation to see to the application of any monies paid to or at the direction of the Security Beneficiary or that Receiver, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act. Any sale or disposal of any Security Asset and any acquisition, in each case, by the Security Beneficiary or any Receiver shall be for such consideration, and made in such manner and on such terms as the Security Beneficiary or that Receiver sees fit.

- (d) In this Clause 13.5, *purchaser* includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

### **13.6 No liability as mortgagee in possession**

None of the Security Beneficiary, any Receiver (or any agent, employee or officer of any of them) shall be liable by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession for any loss on realisation in respect of that Security Asset; or
- (b) for any act, neglect, default, omission or misconduct for which a mortgagee in possession might be liable,

and any such person who is not a Party may rely on this Clause 13.6 and enforce its terms under the Third Parties Act.

### **13.7 Redemption of prior security**

- (a) Subject to the terms of the Intercreditor Agreement, the Security Beneficiary or any Receiver may at any time after the occurrence of an Enforcement Event:
  - (i) redeem any prior security on or relating to any Security Asset or procure the transfer of that security to itself; and
  - (ii) settle and pass the accounts of any person entitled to that prior security, and any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor.
- (b) Each Chargor shall on demand pay to the Security Beneficiary all principal monies and interest and all Costs and Expenses incidental to any redemption or transfer under this Clause 13.7, in each case, together with interest accruing on those amounts at the Default Rate for the period from and including the date on which those amounts were incurred up to and excluding the date on which they were reimbursed.

### **13.8 Right of appropriation**

- (a) To the extent that any of the Security Assets constitute "financial collateral" and this Deed and the obligations of a Chargor under it constitute a "security financial collateral arrangement" (in each case, as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the *FCR Regulations*)), upon and after the Transaction Security becoming enforceable, the Security Beneficiary or any Receiver shall have the benefit of all the rights conferred on a collateral taker under the FCR Regulations, including the right to appropriate without notice to any Chargor (either on a single occasion or on multiple occasions) all or any part of that financial collateral in or towards discharge of the Secured Obligations and, for this purpose, the value of the financial collateral so appropriated shall be in the case of any Investments (or any other financial collateral), the market price of those Investments (or that other financial collateral) determined (after appropriation) by the Security Beneficiary or any Receiver in a commercially reasonable manner (including by reference to a public index or independent valuation).

- (b) The Parties agree that the methods of valuation set out in paragraphs (a) above are commercially reasonable methods of valuation for the purposes of the FCR Regulations.
- (c) Each Chargor irrevocably and unconditionally agrees that the Security Beneficiary may:
  - (i) delegate its rights under paragraph (a) above to one or more persons and that such delegates may exercise such rights on behalf of the Security Beneficiary; and
  - (ii) distribute the right of appropriation referred to in paragraph (a) so that, immediately upon the exercise of such right of appropriation, the Security Beneficiary will become the legal and beneficial owner of the assets that have been appropriated.

### **13.9 Release and/or disposal of Group Liabilities**

- (a) Subject to the terms of the Intercreditor Agreement, in respect of any disposal of any Group Shares of any Chargor that is effected pursuant to, or in connection with, the enforcement of the Transaction Security, the Security Beneficiary or any Receiver shall be irrevocably authorised (at the cost of Yum Midco Limited and without any consent, sanction, authority or further confirmation from the Security Beneficiary or any Chargor) to:
  - (i) release all or any part of any Group Liabilities owing to that Chargor at that time; and/or
  - (ii) dispose of all or any part of any Group Liabilities owing to that Chargor at that time,

in each case, on behalf of that Chargor (and, if necessary, any party who is a debtor in respect of those Group Liabilities), and in any manner and on such terms as the Security Beneficiary or that Receiver sees fit.
- (b) For the purposes of paragraph (a) above, *Group Shares* means the Shares of any Chargor that fall within paragraph (i) of the definition of Shares.

## **14. RECEIVER**

### **14.1 Appointment of Receivers and administrators**

- (a) Subject to the terms of the Intercreditor Agreement, the Security Beneficiary may, by deed or otherwise in writing (and signed by any officer, manager or authorised signatory of the Security Beneficiary) and without notice to any Chargor, appoint one or more qualified persons to be a Receiver or Receivers, at any time:
  - (i) upon and after the Transaction Security becoming enforceable (whether or not the Security Beneficiary has taken possession of any Security Asset); or
  - (ii) at the written request of any Chargor.
- (b) The Security Beneficiary may not appoint an administrative receiver over any Security Asset to the extent prohibited by section 72A of the IA 1986.

- (c) Section 109(1) of the LPA 1925 shall not apply to this Deed.
- (d) If the Security Beneficiary appoints more than one person as Receiver, the Security Beneficiary may give those persons power to act either jointly or severally.
- (e) Any Receiver may be appointed Receiver of all or any of the Security Assets or Receiver of a part of the Security Assets specified in the appointment. In the case of an appointment of a part of the Security Assets, the rights conferred on a Receiver as set out in Clause 14.6 (*Powers of Receivers*) shall have effect as though every reference in that Clause to any Security Assets is a reference to the part of those assets so specified or any part of those assets.
- (f) Subject to law, the terms of the Intercreditor Agreement and in the manner prescribed by law, the Security Beneficiary may also appoint an administrator.

#### **14.2 Moratorium – Receivers**

The Security Beneficiary is not 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 the IA 2000.

#### **14.3 Removal of Receivers**

The Security Beneficiary may by notice in writing remove any Receiver appointed by it (subject to section 45 of the IA 1986 in the case of an administrative receivership) whenever it considers fit and appoint a new Receiver instead of any Receiver whose appointment has terminated for any reason.

#### **14.4 Agent of Chargors**

- (a) Any Receiver shall be the agent of each Chargor for all purposes and accordingly shall be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925.
- (b) Each Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (c) The Security Beneficiary shall not incur any liability (either to a Chargor or any other person) by reason of the appointment of a Receiver or for any other reason.

#### **14.5 Remuneration**

- (a) The Security Beneficiary may:
  - (i) subject to section 36 of the IA 1986, determine the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the LPA 1925) shall not apply to this Deed; and
  - (ii) direct the payment of the remuneration of any Receiver appointed by it out of monies accruing to that Receiver in its capacity as such.
- (b) Notwithstanding paragraph (a) above, the Chargors shall be liable for the payment of the remuneration of any Receiver appointed by the Security Beneficiary and for all Costs and Expenses of that Receiver.

#### 14.6 Powers of Receivers

Notwithstanding any Dissolution applicable to any Chargor, any Receiver appointed pursuant to Clause 14.1 (*Appointment of Receivers and administrators*) shall have the following rights, powers and discretions:

- (a) all the rights, powers and discretions conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925 (in each case, to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);
- (b) all the rights, powers and discretions of an administrative receiver set out in Schedule 1 to the IA 1986 as in force on the date of this Deed (whether or not in force on the date of exercise) and all rights, powers and discretions of an administrative receiver that may be added to Schedule 1 to the IA 1986 after the date of this Deed (in each case, whether or not the Receiver is an administrative receiver (as defined in the IA 1986) and to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);
- (c) all the rights, powers and discretions expressed to be conferred upon the Security Beneficiary in any Finance Document (including this Deed), including all the rights, powers and discretions conferred upon the Security Beneficiary;
- (d) to take immediate possession of, get in and collect any Security Asset and to require payment to him or to the Security Beneficiary of any Monetary Claims;
- (e) to carry on any business of any Chargor in any manner he considers fit;
- (f) to enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which any Chargor is a party;
- (g) to appoint and discharge any managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he considers fit and to discharge any person appointed by any Chargor;
- (h) to raise and borrow money either unsecured or on the security of any Security Asset either in priority to the Transaction Security created pursuant to this Deed or otherwise and generally on any terms and for whatever purpose which he considers fit;
- (i) to sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner, and on any terms, which he considers fit, and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period);
- (j) to settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;
- (k) to bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he considers fit;

- (l) to give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Security Asset;
- (m) to form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset;
- (n) to delegate his powers in accordance with this Deed;
- (o) to lend money or advance credit to any customer of any Chargor;
- (p) to effect any insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset, in each case, as he considers fit;
- (q) to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he may consider fit) any assets which he considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Security Assets or the business of any Chargor;
- (r) to exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset;
- (s) to make any payment and incur any expenditure, which the Security Beneficiary is, pursuant to this Deed, expressly or impliedly authorised to make or incur;
- (t) to do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law (as varied or extended by this Deed); and
- (u) to use the name of any Chargor for any of the purposes set out in paragraphs (a) to (t) (inclusive) above.

## **15. DELEGATION**

- (a) The Security Beneficiary or any Receiver may delegate (and any delegate may sub-delegate) by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.
- (b) Any delegation under this Clause 15 may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Security Beneficiary or any Receiver may consider fit.
- (c) None of the Security Beneficiary, any Receiver (or any agent, employee or officer of any of them) shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, neglect, default, omission or misconduct on the part of any delegate, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.
- (d) References in this Deed to the Security Beneficiary or a Receiver shall be deemed to include references to any delegate or sub-delegate of the Security Beneficiary or Receiver appointed in accordance with this Clause 15.

## **16. PRESERVATION OF SECURITY**

### **16.1 Reinstatement**

- (a) If any payment by a Chargor or any discharge or release given by the Security Beneficiary (whether in respect of the obligations of any person or any security or guarantee for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:
  - (i) the liability of that Chargor and the relevant security or guarantee shall continue as if the payment, discharge, release, avoidance or reduction had not occurred; and
  - (ii) the Security Beneficiary shall be entitled to recover the value or amount of that security, guarantee or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.
- (b) The Security Beneficiary may concede or compromise any claim that any payment, security, guarantee or other disposition is liable to avoidance or restoration.

### **16.2 Waiver of defences**

None of the obligations of any Chargor under this Deed or any Transaction Security shall be affected by any act, omission, matter or thing (whether or not known to any Chargor or the Security Beneficiary) which, but for this provision, would reduce, release, prejudice or provide a defence to any of those obligations including:

- (a) any time, waiver or consent, or any other indulgence or concession, in each case, granted to, or composition with, any Chargor or any other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee or indemnity or any document, including any arrangement or compromise entered into by the Security Beneficiary with any Chargor or any other person;
- (d) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee or indemnity or any document (including any failure to present, or comply with, any formality or other requirement in respect of any instrument, or any failure to realise the full value of any rights against, or security over the assets of, any Chargor or any other person);
- (e) the existence of any claim, set-off or other right which any Chargor may have at any time against the Security Beneficiary or any other person;
- (f) the making, or absence, of any demand for payment or discharge of any Secured Obligations;
- (g) any amalgamation, merger or reconstruction that may be effected by the Security Beneficiary with any person, including any reconstruction by the Security Beneficiary involving the formation of a new company and the transfer of all or any of the assets

- of the Security Beneficiary to that company, or any sale or transfer of the whole or any part of the undertaking and/or assets of the Security Beneficiary to any person;
- (h) any incapacity or lack of power, authority or legal personality or Dissolution, in each case, of any Chargor or any other person, or any change in the members or status of any Chargor or any other person;
- (i) any variation, amendment, waiver, release, novation, supplement, extension, restatement or replacement of, or in connection with, any Finance Document or any other document or any security, guarantee or indemnity, in each case, however fundamental and of whatever nature (and including any amendment that may increase the liability of any Obligor or Chargor);
- (j) any change in the identity of the Security Beneficiary or any variation of the terms of the trust upon which the Security Beneficiary holds the Transaction Security;
- (k) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or any security, guarantee or indemnity; or
- (l) any Dissolution, insolvency or similar proceedings.

### **16.3 Immediate recourse**

- (a) Each Chargor waives any right it may have of first requiring the Security Beneficiary (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from or enforcing against any Chargor under this Deed or any other Finance Document.
- (b) The waiver in this Clause 16.3 applies irrespective of any law or any provision of a Finance Document to the contrary.

### **16.4 Appropriations**

Subject to the Intercreditor Agreement, on and after the occurrence of an Enforcement Event and until the Final Discharge Date, the Security Beneficiary (or any trustee or agent on its behalf) may:

- (a) refrain from applying, appropriating or enforcing any monies, security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply, appropriate and enforce the same in such manner and order as it considers fit (whether against the Secured Obligations or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability under this Deed or any other Finance Document.

### **16.5 Deferral of Chargors' rights**

- (a) Until the Final Discharge Date and unless the Security Beneficiary otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance (or a claim for performance) by it of its obligations under the Finance Documents to:
  - (i) receive, claim or have the benefit of any payment, guarantee, indemnity, contribution or security from or on account of any other Chargor or guarantor



or surety of any Obligor's or Chargor's obligations under the Finance Documents;

- (ii) take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Beneficiary under the Finance Documents or of any guarantee, indemnity or security taken pursuant to, or in connection with, the Finance Documents by the Security Beneficiary;
  - (iii) bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the relevant Chargor has given a guarantee, security, undertaking or indemnity under the Finance Documents;
  - (iv) exercise any right of set-off or counterclaim or any right in relation to any "flawed asset" or "hold back" arrangement, in each case, against an Obligor;
  - (v) exercise any right of quasi-retainer or other analogous equitable right; and/or
  - (vi) claim, rank, prove or vote as a creditor of an Obligor in competition with the Security Beneficiary.
- (b) If any Chargor receives any benefit, payment or distribution in relation to any right referred to in paragraph (a) above, it shall hold that benefit, payment or distribution, to the extent necessary to enable all amounts which may be or become payable to the Security Beneficiary by an Obligor or a Chargor under or in connection with the Finance Documents to be repaid in full and shall promptly pay or transfer the same to the Security Beneficiary or as the Security Beneficiary may direct. If any benefit, payment or distribution cannot be held on trust or is applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Security Beneficiary a debt equal to the amount of the relevant benefit, payment or distribution and shall immediately pay or transfer that amount to the Security Beneficiary or as the Security Beneficiary may direct. All amounts received by the Security Beneficiary under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of proceeds*).

#### **16.6 Security held by Chargors**

- (a) No Chargor shall, without the prior written consent of the Security Beneficiary, hold or otherwise take the benefit of any security from any other Obligor in respect of that Chargor's liability under this Deed.
- (b) Each Chargor shall hold any security and the proceeds thereof held by it in breach of this Clause 16.6 on trust for the Security Beneficiary and shall promptly pay or transfer the same to the Security Beneficiary or as the Security Beneficiary may direct. If any security or proceeds cannot be held on trust or is or are applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Security Beneficiary a debt equal to the amount of the relevant security or proceeds and shall immediately pay or transfer that amount to the Security Beneficiary or as the Security Beneficiary may direct. All amounts received by the Security Beneficiary under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of proceeds*).

#### **16.7 Additional security/non-merger**

- (a) The Transaction Security created pursuant to this Deed is cumulative to, in addition to, independent of and not in substitution for or derogation of, and shall not be merged into or in any way be excluded or prejudiced by, any other security (whether given by a Chargor or otherwise) at any time held by or on behalf of the Security Beneficiary in respect of or in connection with any or all of the Secured Obligations or any other amount due by any Chargor to the Security Beneficiary.

#### **16.8 New accounts and ruling off**

- (a) The Security Beneficiary may open a new account in the name of any Chargor at any time after a subsequent security affects any Security Asset or if any Chargor is subject to any Dissolution.
- (b) If the Security Beneficiary does not open a new account in the circumstances referred to in paragraph (a) above it shall nevertheless be deemed to have done so upon the occurrence of such circumstances.
- (c) No monies paid into any account (whether new or continuing) after the occurrence of the circumstances referred to in paragraph (a) above shall reduce or discharge the Secured Obligations.

#### **17. FURTHER ASSURANCES**

Each Chargor shall, at its own expense, take whatever action the Security Beneficiary or a Receiver may require or consider expedient for:

- (a) creating, perfecting or protecting any Transaction Security intended to be created by or pursuant to this Deed;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any right, power or discretion exercisable by the Security Beneficiary or any Receiver in respect of any Security Asset,

including:

- (i) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Beneficiary or to its nominee;
- (ii) the transfer of legal and/or equitable title in any existing or future Real Property to a third party (including after the exercise of any right of appropriation pursuant to Clause 13.8 (*Right of appropriation*)); and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Beneficiary may consider expedient and on such terms as it considers fit.

## **18. POWER OF ATTORNEY**

### **18.1 Appointment**

- (a) Each Chargor by way of security irrevocably appoints the Security Beneficiary and each Receiver severally as its attorney, with full power of substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney considers fit:
- (i) before the occurrence of an Enforcement Event, to do anything which that Chargor is obliged to do under this Deed (but has not done);
  - (ii) on and after the occurrence of an Enforcement Event, to do anything which that Chargor is obliged to do under this Deed; and
  - (iii) to exercise any of the rights conferred on the Security Beneficiary or any Receiver in relation to any Security Asset or under any Finance Document, the LPA 1925 or the IA 1986.
- (b) The power of attorney conferred on the Security Beneficiary and each Receiver pursuant to paragraph (a) above shall continue notwithstanding the exercise of any right of appropriation pursuant to Clause 13.8 (*Right of appropriation*).

### **18.2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 18.1 (*Appointment*).

### **18.3 Waiver**

Each Chargor waives any breach of clause 32 (*Confidential Information*) of the Mezzanine Finance Subscription Agreement that may occur as a result of the Security Beneficiary taking any action under paragraph (a) of Clause 18.1 (*Appointment*).

## **19. APPLICATION OF PROCEEDS**

### **19.1 Order of application**

- (a) Without prejudice to any other provision of this Deed, all amounts and other proceeds or assets received by the Security Beneficiary or any Receiver pursuant to this Deed or the powers conferred by it shall be applied in accordance with clause 13.1 (*Priorities*) of the Intercreditor Agreement.
- (b) The order of application referred to in paragraph (a) above shall override any appropriation by any Chargor.

### **19.2 Receiver's receipts**

Section 109(8) of the LPA 1925 shall not apply in relation to a Receiver appointed under this Deed.

## **20. EXPENSES AND INDEMNITIES**

Subject to the Intercreditor Agreement, each Chargor shall:

- (a) immediately on demand, pay and reimburse the Security Beneficiary, attorney, manager or other person (including each of their respective agents, employees and officers) appointed by the Security Beneficiary or a Receiver under this Deed (each, an *Indemnified Person*), on the basis of a full indemnity, all Costs and Expenses incurred by that Indemnified Person in connection with the holding, preservation or enforcement or the attempted preservation or enforcement of the Security Beneficiary's rights under this Deed or otherwise in connection with the performance of this Deed or any documents required pursuant to (or in connection with) this Deed, including any Costs and Expenses arising from any actual or alleged breach by any person of any law, agreement or regulation, whether relating to the environment or otherwise (including the investigation of that breach), in each case, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed; and
- (b) keep each Indemnified Person indemnified against any failure or delay in paying the Costs and Expenses and interest referred to in paragraph (a) above.

Any Indemnified Person who is not a Party may rely on this Clause 20 and enforce its terms under the Third Parties Act.

## **21. CHANGES TO PARTIES**

### **21.1 Transfer by the Security Beneficiary**

- (a) The Security Beneficiary may at any time, without the consent of any Chargor, assign or otherwise transfer all or any part of its rights or obligations under this Deed to any successor or additional Security Beneficiary appointed in accordance with the Finance Documents provided that such transferee executes a deed in which they agree to be bound by the terms of the Intercreditor Agreement. Upon that assignment or transfer taking effect, the successor or additional Security Beneficiary shall act, and shall be deemed to be acting, as agent and trustee for itself and (in the case of a successor Security Beneficiary) in place of, or (in the case of an additional Security Beneficiary) in addition to, the current Security Beneficiary.
- (b) Each Chargor shall, immediately upon a request from the Security Beneficiary, enter into such documents and do all such acts as may be necessary or desirable to effect the assignment or transfer referred to in paragraph (a) above.

### **21.2 Transfer by the Chargors**

No Chargor may assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Deed.

### **21.3 Changes to the Parties**

Each Chargor agrees to be bound by the terms of clauses 21 (*Changes to the Purchaser*) to 22 (*Changes to the Obligors*) (inclusive) of the Mezzanine Finance Subscription Agreement and authorises the Security Beneficiary to execute on its behalf any document the Security Beneficiary considers necessary or desirable in relation to the creation, perfection or maintenance of the Transaction Security, the rights of the Security Beneficiary under this Deed or any transfer or assignment contemplated by those provisions.

#### **21.4 Accession**

- (a) Subject to the terms of the other Finance Documents, a member of the Group:
- (i) shall become a Party in the capacity of a Chargor on the date on which it delivers a duly executed and completed Accession Document to the Security Beneficiary; and
  - (ii) by so delivering a duly executed and completed Accession Document, shall be bound by, and shall comply with, all of the terms of this Deed which are expressed to be binding on a Chargor,

in each case, as if it had always been a Party as a Chargor.

- (b) Each Chargor consents to members of the Group becoming Chargors as contemplated by the Mezzanine Finance Subscription Agreement and irrevocably appoints the Yum Midco Limited as its attorney, with full power of substitution, for the purposes of executing any Accession Document for and on behalf of that Chargor.

#### **22. MISCELLANEOUS**

##### **22.1 Further advances**

- (a) The Security Beneficiary confirms that, subject to the terms of the Finance Documents, it is under an obligation to make further advances or other financial accommodation to Yum Midco Limited. That obligation shall be deemed to be incorporated into this Deed as if set out in this Deed.
- (b) This Deed secures advances and financial accommodation already made under the Finance Documents and further advances and financial accommodation to be made under the Finance Documents.

##### **22.2 Time deposits**

Without prejudice to any right of set-off the Security Beneficiary may have under any Finance Document or otherwise, if any time deposit matures on any account which any Chargor has with the Security Beneficiary before the Final Discharge Date when:

- (a) the Transaction Security has become enforceable; and
- (b) no amount of the Secured Obligations is due and payable,

that time deposit shall automatically be renewed for such further maturity as the Security Beneficiary in its absolute and sole discretion considers appropriate unless the Security Beneficiary otherwise agrees in writing.

##### **22.3 Security Beneficiary's liability**

None of the Security Beneficiary or any Receiver (or any agent, employee or officer of any of them) shall (either by reason of taking possession of any Security Asset or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor or any other person for any Costs and Expenses relating to:

- (a) the realisation of any Security Asset or the taking of any other action permitted by this Deed; or

- (b) resulting from or arising in connection with any act, neglect, default, omission or misconduct of the Security Beneficiary or any Receiver (or any agent, employee or officer of any of them) in relation to any Security Asset or in connection with any Finance Document,

in each case, except to the extent directly caused by its or his own gross negligence or wilful misconduct, and each such person who is not a Party may rely on this Clause 22.3 and enforce its terms under the Third Parties Act.

#### **22.4 Failure to execute and intention to be bound**

- (a) Failure by one or more Parties to execute this Deed (those Parties being *Non-Signatories*) on the date hereof shall not invalidate the provisions of this Deed as between the other Parties who do execute this Deed.
- (b) Each Non-Signatory may execute this Deed on a subsequent date and shall thereupon become bound by its provisions.
- (c) The execution of this Deed by any person other than the Security Beneficiary shall be conclusive evidence of its intention to be bound by, and comply with, this Deed as a Chargor in respect of its assets, including if its name is misdescribed, or if its name is not set out, in any applicable Schedule or provision of this Deed.

#### **22.5 Execution as a deed**

Each Party intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the Parties may only execute this Deed under hand.

#### **22.6 Determinations**

Any certification or determination by the Security Beneficiary or any Receiver under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

#### **22.7 Joint and several liability**

The liabilities of each Chargor under this Deed shall be joint and several.

### **23. PARTIAL INVALIDITY**

- (a) If at any time any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that shall not in any way affect or impair:
  - (i) the legality, validity or enforceability of that provision under the law of any other jurisdiction; or
  - (ii) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction.
- (b) The Parties shall enter into good faith negotiations (but without any liability whatsoever in the event of no agreement being reached) to replace any invalid, illegal or unenforceable provision of this Deed, with a view to obtaining the same

commercial effect as this Deed would have had if that provision had been valid, legal and enforceable.

## **24. TRUSTS**

If any trust intended to arise pursuant to any provision of this Deed or any other Finance Document fails or for any reason (including the laws of any jurisdiction in which any assets, monies, payments or distributions may be situated) is ineffective, the relevant Chargor shall:

- (a) hold at the direction of the Security Beneficiary the amount, proceeds or Security Asset or other assets intended to be held on trust; and
- (b) owe the Security Beneficiary a debt equal to that amount or the value of those proceeds or that Security Asset or those other assets and, if required by the Security Beneficiary, that Chargor shall immediately pay or transfer to the Security Beneficiary, or as the Security Beneficiary may direct, an amount equivalent to that debt. All amounts received by the Security Beneficiary under this paragraph (b) shall be applied in accordance with Clause 19 (*Application of proceeds*).

## **25. AMENDMENTS**

Other than as provided in the Intercreditor Agreement, this Deed may only be amended, modified or waived in any respect with the prior written consent of the Security Beneficiary, such consent to be given with express reference to this Clause 25.

## **26. REMEDIES AND WAIVERS**

No delay or omission on the part of the Security Beneficiary in exercising any right or remedy provided by law or under this Deed shall impair, affect or operate as a waiver of that or any other right or remedy. The single or partial exercise by the Security Beneficiary of any right or remedy shall not, unless otherwise expressly stated, preclude or prejudice any other or further exercise of that, or the exercise of any other, right or remedy. The rights and remedies of the Security Beneficiary under this Deed are in addition to, and do not affect, any other rights or remedies available to it by law.

## **27. NOTICES**

### **27.1 Notices**

Subject to Clause 27.2 (*Notices through Yum Midco Limited*), any notice or other communication to be served under or in connection with this Deed shall be made in accordance with clause 27 (*Notices*) of the Mezzanine Finance Subscription Agreement.

### **27.2 Notices through Yum Midco Limited**

- (a) All communications and documents from any Chargor shall be sent through Yum Midco Limited and all communications and documents to any Chargor may be sent through the Yum Midco Limited.
- (b) Any communication or document made through or delivered to the Yum Midco Limited in accordance with this Clause 27.2 shall be deemed to have been made by or delivered to each relevant Chargor.

- (c) Each Chargor irrevocably authorises and appoints Yum Midco Limited to give and receive any other notices, acknowledgments or communications in connection with this Deed, in each case, in such form as the Yum Midco Limited may agree with the Security Beneficiary.

## **28. 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.

## **29. GOVERNING LAW**

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

## **30. ENFORCEMENT**

### **30.1 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a *Dispute*).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 30.1 is for the benefit of the Security Beneficiary only. As a result, the Security Beneficiary shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction.

### **30.2 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales):
  - (i) irrevocably appoints Yum Midco Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed (and Yum Midco Limited, by its execution of this Deed, accepts that appointment); and
  - (ii) agrees that failure by an agent for service of process to notify the relevant Chargor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, Yum Midco Limited (on behalf of all the Chargors) must immediately (and in any event within 10 days of such event taking place) appoint another agent on terms acceptable to the Security Beneficiary. Failing this, the Security Beneficiary may appoint another agent for this purpose.
- (c) Each Chargor expressly agrees and consents to the provisions of this Clause 30 and Clause 29 (*Governing law*).



**THIS DEED has been executed and delivered as a DEED on the date stated at the beginning of this Deed.**

## SCHEDULE 1

### ORIGINAL CHARGORS

Name of Original Chargor	Jurisdiction of incorporation	Registered number
Yum Bidco Limited	England and Wales	10738057
JKS Restaurants Holdings Ltd	England and Wales	09667844
JKS Investments Limited	England and Wales	09999628
Trishna Restaurants Limited	England and Wales	06272354
JKS Restaurants Limited	England and Wales	08527749
Gymkhana Restaurants Limited	England and Wales	08378387
Hoppers Restaurants Limited	England and Wales	09615935
Brigadiers Restaurants Limited	England and Wales	09140842
Chooza Restaurants Limited	England and Wales	10062314
Motu Restaurants Limited	England and Wales	08013722
Fenland Restaurants Limited	England and Wales	10495717
Mission Sato Limited	England and Wales	10155784
Bubbledogs & Limited	England and Wales	07987470
Lyle's Restaurant Limited	England and Wales	08706499
BAO London Limited	England and Wales	08984539
Sabor Restaurants Limited	England and Wales	10651141

## SCHEDULE 2

### SECURITY ASSETS

#### Part A Real Property

Chargor	Freehold/leasehold	Description	Title number
Bubbledogs & Limited	Leasehold	Ground and basement floors, 70 Charlotte Street, London, W1T 4QG	NGL931583
Gymkhana Restaurants Limited	Leasehold	Basement and ground floor, 42 Albermarle Street, London, W1S 4JH	NGL925252
Trishna Restaurants Limited	Leasehold	17 Blandford Street, London, WIU 3DG	NGL949221
Trishna Restaurants Limited	Leasehold	15 Blandford Street, London, WIU 3DG	NGL949222

#### Part B Shares

Chargor	Issuer/member of the Group	Number and class of shares
JKS Restaurants Holdings Ltd	Trishna Restaurants Limited	185,237 ordinary shares
JKS Restaurants Holdings Ltd	JKS Investments Limited	1 ordinary share
Trishna Restaurants Limited	JKS Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Gymkhana Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Hoppers Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Brigadiers Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Chooza Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Motu Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Fenland Restaurants Limited	1 ordinary share
Trishna Restaurants Limited	Mission Sato Limited	1 ordinary share

### SCHEDULE 3

#### FORM OF DEED OF ACCESSION

**THIS DEED** is made on [●]

**BETWEEN:**

- (1) [●] (a company incorporated in [England and Wales] with registered number [●] and its registered office at [●]) [and [●] (a company incorporated in [England and Wales] with registered number [●] and its registered office at [●])] ([[the]/[each an]] *Additional Chargor*);
- (2) [●] for itself and as attorney for each of the other Chargors as defined in the Security Agreement referred to below (the [MIDCO]); and
- (3) [●] (the *Security Beneficiary*).

**WHEREAS:**

- (A) [[[The]/[Each]] Additional Chargor is a wholly-owned Subsidiary of [UK MIDCO].]
- (B) The [UK MIDCO] has entered into a security agreement dated [●] (the *Security Agreement*) between, among others, the [UK MIDCO] (as an Original Chargor), the other Original Chargors and the Security Beneficiary.
- (C) [[The]/[Each]] Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Security Agreement. [[The]/[Each]] Additional Chargor shall also, by execution of separate instruments, become a party to the other Finance Documents as an Obligor.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

- (a) In this Deed, unless the context otherwise requires or a contrary indication appears:
  - (i) terms defined in the Security Agreement have the same meanings when used in this Deed; and
  - (ii) the provisions of clause 1.2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed, except that references to the Security Agreement shall be construed as references to this Deed.
- (b) This Deed is a Finance Document and a Transaction Security Document.

**2. ACCESSION**

With effect from the date of this Deed, [[the]/[each]] Additional Chargor:

- (a) shall become a party to the Security Agreement in the capacity of a Chargor; and
- (b) shall be bound by, and shall comply with, all of the terms of the Security Agreement which are expressed to be binding on a Chargor,

in each case, as if it had always been a party to the Security Agreement as a Chargor.

### **3. CREATION OF SECURITY**

#### **3.1 General**

Clauses 3.2 (*Real Property*) to 3.9 (*Floating charge*) (inclusive) of this Deed apply without prejudice to the generality of clause 2 (*Accession*) of this Deed.

#### **3.2 Real Property**

- (a) ~~[[The]/[Each]]~~ Additional Chargor charges by way of a legal mortgage in favour of the Security Beneficiary all its right, title and interest in and to the Real Property in England and Wales vested in it and listed in Part A of Schedule 2 (*Secured Assets*).
- (b) To the extent not the subject of a mortgage under paragraph (a) above, ~~[[the]/[each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Real Property.

#### **3.3 Investments**

- (a) ~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Investments.

#### **3.4 Plant and Machinery**

~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Plant and Machinery attached to any Real Property.

#### **3.5 Monetary Claims**

~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Monetary Claims.

#### **3.6 Insurance Policies**

~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to each of its Insurance Policies.

#### **3.7 Intellectual Property**

~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary all its present and future right, title and interest in and to its Intellectual Property [in respect of that Additional Chargor]).

#### **3.8 Miscellaneous**

- (a) ~~[[The]/[Each]]~~ Additional Chargor charges by way of a fixed charge in favour of the Security Beneficiary (to the extent not otherwise assigned, charged or mortgaged under clauses 3.2 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive) of this Deed) all its present and future right, title and interest in and to:

- (i) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
  - (ii) its goodwill;
  - (iii) rights in relation to its uncalled capital;
  - (iv) any letter of credit issued in its favour; and
  - (v) any bill of exchange or other negotiable instrument held by it.
- (b) To the extent that a Security Asset is not effectively charged or mortgaged in favour of the Security Beneficiary in accordance with the applicable provisions of clauses 3.2 (*Real Property*) to 3.7 (*Intellectual Property*) (inclusive) of this Deed, [[the]/[each]] Additional Chargor shall hold on trust for the benefit of the Security Beneficiary all its present and future right, title and interest in and to that Security Asset.

### **3.9 Floating charge**

- (a) [[The]/[Each]] Additional Chargor charges by way of a floating charge in favour of the Security Beneficiary all its present and future assets, property, business, undertaking and uncalled capital of whatever type and wherever located, in each case, together with all Related Rights.
- (b) The floating charge created by [[the]/[each]] Additional Chargor pursuant to paragraph (a) above shall be without prejudice to, and shall rank behind, all Transaction Security that is a mortgage, an assignment or a fixed charge, but shall rank in priority to any other security interest created by any Chargor after the date of this Deed.
- (c) The floating charge created by [[the]/[each]] Additional Chargor pursuant to paragraph (a) above is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the IA 1986. Paragraph 14 of Schedule B1 to the IA 1986 shall apply to this Deed.

## **4. RELATIONSHIP BETWEEN THIS DEED AND THE SECURITY AGREEMENT**

- (a) With effect from the date of this Deed:
- (i) the Security Agreement shall be read and construed for all purposes as if:
    - (A) [[the]/[each]] Additional Chargor had been an original party to the Security Agreement in the capacity of a Chargor;
    - (B) the rights, obligations and liabilities of, under or in connection with the Security Agreement apply to [[the]/[each]] Additional Chargor in the capacity of a Chargor; and
    - (C) the provisions of the Security Agreement which are consistent with this Deed, or in respect of which this Deed is silent, apply to [[the]/[each]] Additional Chargor,

but, in each case, so that the Transaction Security created on this accession shall be created on the date of this Deed;

- (ii) the provisions of the Security Agreement which are expressed to apply to the Security Beneficiary, any Receiver or any other person shall apply to this Deed as if set out in full in this Deed except that references to the Security Agreement shall include this Deed; and
- (iii) unless the context otherwise requires, any reference in the Security Agreement to "this Deed" and similar phrases shall include this Deed and all references in the Security Agreement to any relevant schedule to the Security Agreement (or any part of it) shall include a reference to the schedule (*Security Assets*) to this Deed (or relevant part of it).

(b) Without prejudice to any other provision of this Deed, all Transaction Security:

- (i) is created in favour of the Security Beneficiary;
- (ii) is created free from any security interest (other than any Transaction Security and any other security interest permitted under the Mezzanine Finance Subscription Agreement);
- (iii) is created over the present and future assets of each Chargor; and
- (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all amounts payable under the Finance Documents and shall remain in full force and effect until the Final Discharge Date. No part of the Transaction Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

(c) If [[the]/[an]] Additional Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a *restricted asset*) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a *Restrictive Contract*) binding on [[the]/[that]] Additional Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group, any Affiliate of any member of the Group, any [Investor] or any [Affiliate] of any [Investor], each a *counterparty*) has not been obtained, then:

- (i) [[the]/[that]] Additional Chargor shall notify the Security Beneficiary of the same immediately;
- (ii) [subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;]
- (iii) unless the Security Beneficiary otherwise requires, [[the]/[that]] Additional Chargor shall[ use best endeavours to] obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Security Beneficiary; and

- (iv) [on and from the date on which [[the]/[that]] Additional Chargor obtains the consent of each relevant counterparty, that restricted asset shall become subject to a mortgage, an assignment or a fixed charge in favour of the Security Beneficiary under each provision of clause 3 (*Creation of security*) of this Deed which applies to the class of asset corresponding to that restricted asset].
- (d) The Transaction Security created pursuant to this Deed by [[the]/[each]] Additional Chargor is made with full title guarantee under the LPMPA 1994.
- (e) If the Security Beneficiary [reasonably ]considers[, on the basis of independent legal advice,] that any payment, security or guarantee provided to it under or in connection with any Finance Document is capable of being avoided, reduced or invalidated by virtue of any applicable law, notwithstanding any reassignment or release of any Security Asset, the liability of [[the]/[each]] Additional Chargor under this Deed, the Security Agreement and the Transaction Security shall continue as if those amounts had not been paid or as if any such security or guarantee had not been provided.
- (f) Each undertaking of [[the]/[an]] Additional Chargor (other than a payment obligation) contained in this Deed or the Security Agreement:
  - (i) shall be complied with at all times during the period commencing on the date of this Deed and ending on the Final Discharge Date; and
  - (ii) is given by [[the]/[that]] Additional Chargor for the benefit of the Security Beneficiary.
- (g) Notwithstanding anything contained in this Deed or the Security Agreement or implied to the contrary, [[the]/[each]] Additional Chargor remains liable to observe and perform, and shall observe and perform, all conditions and obligations assumed by it in relation to any of its Security Assets. The Security Beneficiary is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.
- (h) If any Security Asset of [[the]/[any]] Additional Chargor is held by any person (including any nominee) on behalf of [[the]/[that]] Additional Chargor, [[the]/[that]] Additional Chargor shall procure that any such person performs the obligations of [[the]/[that]] Additional Chargor in respect of that Security Asset under this Deed and the Security Agreement.

## 5. [UK MIDCO] ACKNOWLEDGMENT

[UK MIDCO], for itself and as agent for each of the other Chargors under the Security Agreement, agrees to all matters provided for in this Deed.

## 6. EXECUTION AS A DEED

Each party to this Deed intends this Deed to take effect as a deed, and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of those parties may only execute this Deed under hand.



**7. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and by each party to this Deed 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.

**8. GOVERNING LAW**

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

**THIS DEED has been executed and delivered as a DEED on the date stated at the beginning of this Deed.**

## SCHEDULE

### SECURITY ASSETS

#### Part A Real Property

[Additional Chargor]	Freehold/leasehold	Description	Title number
[•]	[•]	[•]	[•]

#### Part B Shares

[Additional Chargor]	Issuer/member of the Group	Number and class of shares	Details of nominees holding legal title
[•]	[•]	[•]	[•]

**SIGNATORIES TO THE DEED OF ACCESSION**

**THE ADDITIONAL CHARGOR[S]**

**EXECUTED** as a **DEED** by )  
[•] )  
acting by: )

Director

Director/Secretary

**OR**

**EXECUTED** as a **DEED** by )  
[•] )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

[[•]]

**THE [UK MIDCO]**

**EXECUTED** as a **DEED** by )  
[•] )  
acting by: )

Director

Director/Secretary

**OR**

**EXECUTED as a DEED by** )  
[•] )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

**THE SECURITY BENEFICIARY**

[•]

By:

Address: [•]

Fax: [•]

Attention: [•]

## SIGNATORIES TO THE SECURITY AGREEMENT

### THE CHARGORS

EXECUTED as a DEED by )  
YUM BIDCO LIMITED )  
acting by a director in the presence )  
of: )

Director

TAMM ABDEL DAYEM HASHIM ABBAS BHUTWALA

Witness signature:

Name: VICENTE GOMEZ DOLZ

Address:

EXECUTED as a DEED by )  
JKS RESTAURANTS HOLDINGS )  
LTD )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

EXECUTED as a DEED by )  
JKS INVESTMENTS LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

**SIGNATORIES TO THE SECURITY AGREEMENT**

**THE CHARGORS**

**EXECUTED as a DEED by** )  
**YUM BIDCO LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

**EXECUTED as a DEED by** )  
**JKS RESTAURANTS HOLDINGS** )  
**LTD** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

**EXECUTED as a DEED by** )  
**JKS INVESTMENTS LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
TRISHNA RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: Sophie Vriezen

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

Address:

EXECUTED as a DEED by )  
JKS RESTAURANTS LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: Sophie Vriezen

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

Address:

EXECUTED as a DEED by )  
GYMKHANA RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: Sophie Vriezen

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

Address:

EXECUTED as a DEED by )  
HOPPERS RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
BRIGADIERS RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
CHOOZA RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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



EXECUTED as a DEED by )  
MOTU RESTAURANTS LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
FENLAND RESTAURANTS )  
LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
MISSION SATO LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: *Sophie Vriezen*

Address:

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

EXECUTED as a DEED by )  
BUBBLEDOGS & LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: Sophie Vriezen

Address:

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

EXECUTED as a DEED by )  
LYLE'S RESTAURANTS LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: Sophie Vriezen

Address:

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

EXECUTED as a DEED by )  
BAO LONDON LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: CHARLOTTE AILE YELDON

Address:

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

EXECUTED as a DEED by )  
SABOR RESTAURANTS LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name: CHARLOTTE AILE YELDON

Address:

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

#### THE SECURITY BENEFICIARY

EXECUTED as a DEED by )  
AXIL DINING MEZZ LIMITED )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

**EXECUTED as a DEED by** )  
**BAO LONDON LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

**EXECUTED as a DEED by** )  
**SABOR RESTAURANTS LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

#### **THE SECURITY BENEFICIARY**

**EXECUTED as a DEED by** )  
**AXIL DINING MEZZ LIMITED** )  
acting by a director in the presence )  
of: )

William Shaw  
Authorized Signatory for Myla F3 Directors Limited

Director

Witness signature:

Name: E. Shantel Myrie

**EXECUTED as a DEED by** )  
**BAO LONDON LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

**EXECUTED as a DEED by** )  
**SABOR RESTAURANTS LIMITED** )  
acting by a director in the presence )  
of: )

Director

Witness signature:

Name:

Address:

#### **THE SECURITY BENEFICIARY**

**EXECUTED as a DEED by** )  
**AXIL DINING MEZZ LIMITED** )  
acting by a director in the presence )  
of: )

SYED FAZIS ALI NAQVI

Director

Witness signature:

Name: