

MR01

Particulars of a charge

130187/26

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last page


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Please go to www.companieshouse.gov.uk

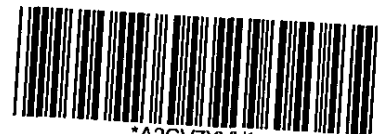
☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

 You **must** enclose a certified copy of the instrument with this form. This must be scanned and placed on the public record



A09 *A2CV7YVU*
18/07/2013 #4
COMPANIES HOUSE

1 Company details

Company number 0 8 4 0 3 3 2 2

Company name in full Blue3 (Staffs) (Holdings) Limited (the "Company")

0001

→ **Filing in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d1 d0 m0 m7 y2 y0 y1 y3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Aviva Public Private Finance Limited

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Particulars of a charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

The Company charged with full title guarantee in favour of Aviva Public Private Finance Limited by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Company at the date of the Debenture shall be a charge by way of legal mortgage) all the Company's right, title and interest from time to time in and to each of the following:

1 - all estates or interests in any Real Property belonging to the Company on or after the date of the Debenture;

2 - all the Company's rights under any agreement relating to the purchase of any freehold or leasehold property;

3 - all the Company's rights under any occupational lease, licence or any other right of occupation;

PLEASE SEE CONTINUATION SHEET 1

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01 - continuation page

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Description

CONTINUATION SHEET 1
COMPANY: BLUE3 (STAFFS) (HOLDINGS) LIMITED
COMPANY NUMBER: 08403322

4 - all the Company's right, title and interest in any Intellectual Property Rights belonging to the Company (to the extent of its interest) in which it has an interest

Definitions

In this form MR01:

"Debenture" means a debenture dated 10 July 2013 and made between (1) the Company and (2) Aviva Public Private Finance Limited,

"Intellectual Property Rights" means

(a) all patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know how and other intellectual property rights and interests including by way of licence in any of the foregoing in each case whether registered or not, and

(b) the benefit of all applications for and rights to use any such assets;

"Real Property" means any present or future freehold or leasehold property in which the Company has an interest and includes all buildings and fixtures on that property, the proceeds of sale of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property, the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that property and any monies paid or payable in respect of those covenants.

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Particulars of a charge

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Miss Reeve CP*

X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name Peter Collins

Company name Mills & Reeve LLP

Address Botanic House

100 Hills Road

Post town Cambridge

County/Region Cambridgeshire

Postcode C B 2 1 P H

Country United Kingdom

DX DX 122891 Cambridge 4

Telephone 01223 222453



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8403322

Charge code: 0840 3322 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th July 2013 and created by BLUE3 (STAFFS) (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th July 2013.

A handwritten signature in black ink, appearing to be 'JH'.

Given at Companies House, Cardiff on 19th July 2013



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 10th JULY 2013 /

BLUE3 (STAFFS) (HOLDINGS) LIMITED (1) ✓

and

AVIVA PUBLIC PRIVATE FINANCE (2) /
LIMITED

HOLDCO DEBENTURE

We/I certify that this is a true and complete copy of the original document	
<i>Mills & Reeve LLP</i>	
For Mills & Reeve LLP, Solicitors	
Ref <i>CPC</i>	Botanic House
Date <i>17/07/2013</i>	100 Hills Road
	Cambridge
	CB2 1PH

MILLS & REEVE

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THIS HOLDCO DEBENTURE is made on

10th JULY 2013

BETWEEN:

- (1) **BLUE3 (STAFFS) (HOLDINGS) LIMITED**, a company incorporated in England and Wales with registered number 08403322 and having its registered office at Tempsford Hall, Sandy, Bedfordshire, SE19 2BD (the "**Chargor**"), and
- (2) **AVIVA PUBLIC PRIVATE FINANCE LIMITED** a company registered in England with registered number 02334210 of Sentinel House, 37 Surrey Street, Norwich NR7 3UY as security trustee for each of the Finance Parties (the "**Security Trustee**")

WHEREAS

- (A) The Finance Parties have agreed to make available to the Borrower certain loan facilities pursuant to the Facilities Agreement
- (B) In consideration for those facilities being made available the Chargor has agreed to enter into this Deed

NOW THIS DEED WITNESSES as follows

1 Definitions and interpretation

1.1 Incorporation of definitions

Terms defined in the Facilities Agreement, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed

1.2 Additional definitions

In this Deed

"Administrator" means any person appointed as an administrator pursuant to paragraph 26 of Schedule B1 to the Insolvency Act

"Assigned Documents" means the documents listed in Schedule 1 (Assigned Documents) together with any other documents relating to the Project entered into from time to time by the Chargor

"Borrower" means Blue3 (Staffs) Limited, a company incorporated in England and Wales with registered number 08403335 and having its registered office at Tempsford House, Sandy, Bedfordshire SG19 2BD

"Charged Assets" means the assets, rights and undertaking of the Chargor from time to time mortgaged, charged or assigned to the Security Trustee by or pursuant to this Deed

"Deed" means this debenture

"Enforcement Event" means

- (a) an Event of Default has occurred and is continuing, and
- (b) the Lender has given notice in accordance with Clause 24.3 (Remedies) of the Facilities Agreement,

"Facilities Agreement" means the facilities agreement dated on or around the date of this Deed between, inter alia, the Borrower, the Chargor (as Guarantor), and Aviva Public Private Finance Limited as Lender and Security Trustee

"Insolvency Act" means the Insolvency Act 1986

"Insurance Policy" means any policy of insurance or assurance in which the Chargor may at any time have an interest

"Intellectual Property Rights" means

- (a) all patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know how and other intellectual property rights and any interests including by way of licence in any of the foregoing in each case whether registered or not, and
- (b) the benefit of all applications for and rights to use any such assets

"Intercreditor Deed" means the intercreditor deed dated on or around the date of this Deed between, inter alia, the Borrower, the Chargor, and Aviva Public Private Finance Limited as Lender and Security Trustee

"Investments" means all shares and stock in the capital of any company (other than the Shares), debentures, securities, certificates or deposits, interests in collective investment schemes, warrants, options and any other rights to subscribe for or acquire any such investments hereafter owned by the Chargor or in which the Chargor has an interest (including all Authorised Investments) together in all cases with all Related Rights

"LPA" means the Law of Property Act 1925

"Project Account" means each Project Account (as defined in the Facilities Agreement) in the name of the Chargor and includes

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Project Account is transferred, and
- (b) any account which is a successor to a Project Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Project Account is transferred for investment or administrative purposes

"Real Property" means any present or future freehold or leasehold property in which the Chargor has an interest and includes all buildings and fixtures on that property, the proceeds of sale of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property, the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property and any monies paid or payable in respect of those covenants

"Receiver" means a receiver or receiver and manager or an administrative receiver of the whole or any part of the Charged Assets, which term will include joint receivers and any substitute receiver, receiver and manager or administrative receiver whether appointed under this Deed or pursuant to statute

"Related Rights" means, in relation to any Shares or Investments, all rights derived from those Shares or Investments including rights to dividends, interest and other distributions paid or payable after the date of this Deed on all or any of those Shares or Investments and all stocks, shares or other securities (and dividends, interest and other distributions thereon) or other rights accruing or offered at any time by way of redemption, bonus, pre-emption or otherwise to or in respect of all or any of those Shares or Investments or in substitution or exchange for all or any of the Shares or Investments

"Secured Obligations" means all moneys, obligations and liabilities whatsoever which may now or at any time in the future be due, owing or incurred by the Chargor to any Senior Finance Party or for or in respect of which any Obligor may be liable to any Finance Party whether present or future, actual or contingent, on any account whatsoever and in any manner whatsoever, as principal or surety and whether alone or jointly with any other party or parties including, without limitation, interest, legal and other costs, charges and expenses

"Shares" means the shares listed in Schedule 3 (Shares) together with all Related Rights

1 3 Implied covenants for title

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

1 4 Modification of Law of Property (Miscellaneous Provisions) Act 1994

The following provisions of the Law of Property (Miscellaneous Provisions) Act 1994 will not apply to Clause 3 (Creation of security), being

1 4 1 the words "other than any charges, encumbrances or rights which that person does not and would not reasonably be expected to know about" in Section 3(1),

1 4 2 the words "except to the extent that" and all the words thereafter in Section 3(2), and

1 4 3 Section 6(2)

1 5 Effect as a deed

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

1 6 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed

1 7 Security trust provisions

The Security Trustee holds the benefit of this Deed on trust for the Finance Parties in accordance with clause 32 (Security Trustee) of the Facilities Agreement

1 8 Construction

1 8 1 Unless a contrary indication appears, any reference in this Deed to

(i) **"Chargor"**, **"Security Trustee"**, **"Finance Party"**, **"Obligor"** or any other person shall be construed so as to include its successors in title, permitted assignees and permitted transferees,

(ii) **"assets"** includes present and future properties, revenues and rights of every description,

(iii) the **"Facilities Agreement"**, a **"Finance Document"** or any other agreement or instrument is a reference to the Facilities Agreement or that Finance Document or other agreement or instrument as from time to time

amended, novated, supplemented, replaced, extended or restated in whole or in part,

- (iv) a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing,
- (v) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self regulatory or other authority or organisation,
- (vi) a provision of law is a reference to that provision as from time to time amended or re-enacted,
- (vii) "**disposal**" includes a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary (and "dispose" shall be construed accordingly),
- (viii) "**document**" includes any deed, instrument (including negotiable instrument) or other document of any kind,
- (ix) any matter "**including**" specific instances or examples of such matter shall be construed without limitation to the generality of that matter (and references to "include" shall be construed accordingly),
- (x) the "**winding-up**", "**dissolution**" or "**administration**" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or established, or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors, and
- (xi) Clauses and Schedules are to the clauses and schedules to this Deed

1 8 2 Clause headings are for ease of reference only

1 8 3 Words in the singular shall import the plural and vice versa

1 8 4 Words defined in the Companies Act 2006 have the same meanings in this Deed

2 Covenant to pay

2 1 Covenant to pay

The Chargor, as principal debtor and not just as surety, covenants with the Security Trustee to pay, discharge and satisfy the Secured Obligations when the same become due in accordance with the terms of the Finance Documents whether by acceleration or otherwise

2 2 Interest

The Chargor shall pay interest on any amount demanded from it in accordance with this Deed from the date of such demand until such amount is irrevocably discharged and paid in full (such interest to accrue on a daily basis after as well as before judgment or the liquidation or administration of the Chargor and to be payable on demand) at the rate and in the manner specified in clause 8 2 (Default Interest) of the Facilities Agreement

3 Creation of security

3 1 General

All the security created under this Deed

- 3 1 1 is created in favour of the Security Trustee as security trustee for each of the Finance Parties,
- 3 1 2 is created over the present and future assets of the Chargor,
- 3 1 3 is security for the payment of all the Secured Obligations, and
- 3 1 4 is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3 2 Fixed charges

The Chargor hereby charges with full title guarantee in favour of the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor at the date hereof shall be a charge by way of legal mortgage) all the Chargor's right, title and interest from time to time in and to each of the following assets

- 3 2 1 all estates or interests in any Real Property now or hereafter belonging to it,
- 3 2 2 all its rights under any agreement relating to the purchase of any freehold or leasehold property,
- 3 2 3 all its rights under any occupational lease, licence or other right of occupation,
- 3 2 4 all plant, machinery, computers, office equipment or vehicles owned by it and its interests in any plant, machinery or other items in its possession,
- 3 2 5 all monies standing to the credit of the Project Accounts (other than the Holdco Distribution Account),
- 3 2 6 all monies standing to the credit of any account (other than a Project Account) maintained by it with any person or (to the extent of its interest) in which it has an interest and all its rights in such accounts,
- 3 2 7 all of its book debts and other debts, the proceeds of the same and all other moneys due and owing to it and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing,
- 3 2 8 all its rights under any Treasury Transaction,
- 3 2 9 its goodwill,
- 3 2 10 its uncalled capital,
- 3 2 11 the Shares,
- 3 2 12 all its right, title and interest in any Investment including all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Investment,
- 3 2 13 all its right, title and interest in any Intellectual Property Rights belonging to it or (to the extent of its interest) in which it has an interest, and

- 3 2 14 the benefit of all licences, consents and authorisations (statutory or otherwise) held by it in connection with its business or the use of any Charged Asset specified in any other sub-paragraph in this Clause and the right to recover and receive all compensation which may be payable to it in respect of them

3 3 Exceptions to fixed security

The fixed security from time to time created by this Deed does not extend to any asset situated outside England and Wales or the rights to which are governed by any law other than the laws of England and Wales to the extent that and for so long as any such fixed security would be unlawful or ineffective under the laws of the jurisdiction in which such asset is situated

3 4 Assignment by way of security

The Chargor hereby assigns absolutely with full title guarantee to the Security Trustee by way of first assignment as security for the payment and discharge of the Secured Obligations all the Chargor's right, title and interest from time to time in

- 3 4 1 each of the Assigned Documents,

- 3 4 2 all Insurance Policies taken out by it or on its behalf or (to the extent of its interest) in which it has an interest and the right to all claims and returns of premiums in respect of any such Insurance Policies, and

- 3 4 3 the benefit of any other agreement to which it is party, any letter of credit issued in its favour and any bill of exchange or other negotiable instrument held by it

3 5 Floating charge

The Chargor charges by way of first floating charge the whole of its property (including uncalled capital) comprised from time to time in its property and undertaking and all other property, assets and rights of whatever nature and wherever situated which are not otherwise effectively charged or assigned pursuant to the foregoing provisions of this Clause

3 6 Automatic crystallisation of floating charge

The floating charge created by Clause 3 5 (Floating charge) shall immediately upon the occurrence of the relevant event convert into a fixed charge in respect of

- 3 6 1 any Charged Asset which shall without the prior written consent of the Security Trustee become subject to a fixed charge in favour of any person other than the Security Trustee,

- 3 6 2 any Charged Asset in respect of which any person shall levy, or attempt to levy, any distress, diligence, execution, sequestration or other similar process,

- 3 6 3 all Charged Assets if an Administrator is appointed by the Security Trustee or the Security Trustee receives notice of an intention to appoint an Administrator, or

- 3 6 4 all Charged Assets on the convening of any meeting of the members of the Chargor to consider a resolution to wind up the Chargor

3 7 Crystallisation on notice of floating charge

The Security Trustee may at any time

- 3 7 1 after the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable), or

- 3 7 2 if the Chargor fails to comply or takes or threatens to take any action which in the reasonable opinion of the Security Trustee is likely to result in it failing to comply with its obligations under Clause 6 (Restriction on dealings), or
- 3 7 3 if the Security Trustee considers that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, or are otherwise in jeopardy, or
- 3 7 4 if the Security Trustee considers that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding-up of the Chargor,

by giving notice in writing to that effect to the Chargor convert the floating charge created by Clause 3 5 (Floating charge) into a fixed charge as regards any asset specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

3 8 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created by Clause 3 5 (Floating charge) so that the floating charge created by Clause 3 5 (Floating charge) shall be a "qualifying floating charge" for the purposes of that paragraph.

3 9 Restrictions on the creation of security

If security cannot be created in respect of any asset of the Chargor without the consent of any third party

- 3 9 1 the Chargor must notify the Security Trustee promptly upon becoming aware of the same,
- 3 9 2 this Deed shall not create any security in respect of that asset except to the extent permitted without the consent of any third party but will secure all amounts which the Chargor may receive in respect of that asset,
- 3 9 3 unless the Security Trustee otherwise agrees, the Chargor must use reasonable endeavours to obtain the consent of the third party to the creation of security over that asset pursuant to this Deed, and
- 3 9 4 on and from the date on which such consent is obtained, the security created by this Deed shall extend to and include that asset.

4 Provisions as to security

4 1 Continuing security

- 4 1 1 The security from time to time created by this Deed is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Security Trustee.
- 4 1 2 No part of the security from time to time created by this Deed will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

4 2 Additional security

This Deed shall be without prejudice and in addition to any other security which may at any time be held by the Security Trustee or any other Finance Party from the Chargor or any other person in respect of the whole or any part of the Secured Obligations and may be enforced independently of any such other security.

4 3 No obligation to take other enforcement proceedings

The Security Trustee shall not be obliged before exercising any of the rights conferred on it by this Deed or by law

- 4 3 1 to make any demand of the Chargor or any other person other than that required by the terms of the Finance Documents,
- 4 3 2 to take any action, enforce any security, exercise any right of compensation or set-off or to obtain or enforce any judgement, decree or order in any court against the Chargor or any other person,
- 4 3 3 to make or file any claim or proof in a winding up, liquidation, administration or other insolvency proceedings of the Chargor or any other person, or
- 4 3 4 to enforce or seek to enforce any other security taken in respect of any of the obligations of the Chargor or any other person under the Finance Documents

4 4 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or circumstances which, but for this Clause 4 4 (Waiver of defences), might operate to release, discharge, impair or otherwise affect any of the obligations of the Chargor under this Deed or any of the rights, powers or remedies conferred upon the Security Trustee and the other Finance Parties or any of them by the Finance Documents or by law including (but without limitation) and whether or not known to the Chargor or any Finance Party

- 4 4 1 any time, waiver or consent granted to, or composition with, any Obligor or other person,
- 4 4 2 the release of any Obligor or any other person from its obligations under any Finance Document or any security or guarantee granted in connection therewith,
- 4 4 3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- 4 4 4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person,
- 4 4 5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security,
- 4 4 6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- 4 4 7 any insolvency or similar proceedings

4 5 Non-competition

Until the security created by this Deed has been discharged, the Chargor will not, after a claim has been made or by virtue of any payment or performance by it of the Secured Obligations

- 4 5 1 be subrogated to any rights, security or monies held, received or receivable by any Finance Party or any Obligor nor be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Secured Obligations,
- 4 5 2 claim, rank, prove or vote as a creditor of any Obligor, or
- 4 5 3 receive, claim or have the benefit of any payment, distribution or security from or on account of an Obligor, or exercise any right of set-off as against an Obligor

and the Chargor shall forthwith payor transfer to the Security Trustee an amount equal to the amount of any dividend, distribution, contribution or benefit (including without limitation any amount set-off) actually received by it and in the meantime shall hold the same in trust for the Security Trustee to the extent required to payor discharge the Secured Obligations

5 Perfection of security

5 1 Notices of Assignment

The Chargor shall

- 5 1 1 as soon as reasonably practicable following the execution of this Deed (or, if later as soon as possible after the Chargor enters into such Assigned Document) in respect of each Assigned Document, deliver a duly completed notice of assignment to each other party to that Assigned Document, and use its reasonable endeavours to procure that each such person executes and delivers to the Security Trustee an acknowledgement, in each case in the form set out in Schedule 2 (Notice of assignment of Assigned Documents) (or in such other form as the Security Trustee shall agree (acting reasonably)), and
- 5 1 2 as soon as reasonably practicable following the execution of this Deed (or, if later as soon as possible after such Insurance Policy is taken out) deliver a duly completed notice to each insurance company which has issued an Insurance Policy and use its reasonable endeavours to procure that such insurance company executes and delivers to the Security Trustee an acknowledgement, in the form set out in Appendix 5 (Notice of Assignment) to Schedule 10 (Insurance) of the Facilities Agreement (or in such other form as the Security Trustee shall agree (acting reasonably))

5 2 Shares

Immediately upon execution of this Deed the Chargor shall deliver duly stamped transfers of the Shares (executed in blank and left undated) to the Security Trustee together with the certificates in respect of all the Shares and such other documents as the Security Trustee shall require to enable it (or its nominee) to be registered as the owner of or otherwise acquire a legal title to the Shares

5 3 Investments

The Chargor shall, promptly following the acquisition of any Investment as soon as reasonably practicable deposit with the Security Trustee, or as the Security Trustee may direct in writing, all certificates and other documents of title or evidence of ownership in relation to any Investment and shall

- 5 3 1 execute and deliver to the Security Trustee transfers (executed in blank and left undated and duly stamped if applicable) and such other documents as the Security Trustee may reasonably require in order to enable the Security Trustee (or its nominee), following an Enforcement Event, to be registered as the owner or otherwise obtain a legal title to any Investment, or

- 5 3 2 in the case of any Investment which is held in any clearance or settlement system or by any custodian, execute and deliver such documents as the Security Trustee may reasonably require to perfect the security conferred over that Investment by this Deed

5 4 Registration of Intellectual Property

The Chargor hereby agrees, if so requested by the Security Trustee, to execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any Intellectual Property Rights in which the Chargor has an interest

5 5 Further assurance

- 5 5 1 The Chargor will promptly do all such acts and execute all such documents as the Security Trustee may reasonably specify in writing (and in such form as the Security Trustee may reasonably require) to

- (i) perfect or enhance the security created or intended to be created by this Deed (which may include the execution by any Chargor of a mortgage, charge, assignment or other form of fixed security over all or any of the Charged Assets) or for the exercise of the rights, powers and remedies of the Security Trustee or any Receiver provided by or pursuant to this Deed or by law,
- (ii) confer on the Security Trustee security over any property or assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Deed, and/or
- (iii) after the security created by this Deed has become enforceable pursuant to Clause 10 (When security becomes enforceable) facilitate the realisation of the Charged Assets

- 5 5 2 The obligations of the Chargor under this Clause 5 5 (Further assurance) are in addition to and not in substitution for the covenants for further assurance deemed to be included herein by virtue of the Law of Property (Miscellaneous Provisions) Act 1994

6 Restriction on dealings

Save as permitted by the Facilities Agreement, the Chargor will not create or permit to subsist any Security on any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets

7 Shares and investments

7 1 Rights prior to default

Prior to the security created by this Deed becoming enforceable in accordance with Clause 10 (When security becomes enforceable) the Chargor shall have the sole right to exercise all voting rights in relation to the Shares and Investments provided that the Chargor shall not exercise such voting rights in any manner which would alter the rights attached to the Shares or Investments or which, in the opinion of the Security Trustee would prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Deed

7 2 Rights during default

After the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable), the Security Trustee may, at its discretion (without any further consent or authority from the Chargor)

7 2 1 register all or any of the Shares and Investments in the name of the Security Trustee or its nominee and the Chargor shall, as and when required by the Security Trustee, procure such registration,

7 2 2 exercise (or refrain from exercising) any voting rights in respect of the Shares and Investments, and

7 2 3 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares and the Investments,

in such manner and on such terms as the Security Trustee may think fit for the purpose of preserving the value of, or realising, the security created by this Deed

7 3 Dividends prior to default

Prior to the security created by this Deed becoming enforceable in accordance with Clause 10 (When security becomes enforceable) the Chargor shall be entitled to receive all dividends, interest and other monies arising from the Shares and Investments

7 4 Dividends during default

After the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable)

7 4 1 the Security Trustee shall be entitled to receive all dividends, interest and other monies arising from the Shares and Investments and to apply the same in payment of the Secured Obligations, and

7 4 2 the Chargor shall take all necessary steps to ensure that all dividends, interest and other monies arising from the Shares and Investments are paid directly to the Security Trustee and if the Chargor receives any dividends, interest and other monies arising from the Shares and Investments it shall promptly pay the same to the Security Trustee and pending such payment shall hold the same on trust for the Security Trustee

7 5 Security Trustee as proxy

The Chargor irrevocably appoints the Security Trustee or its nominee as its proxy to exercise all voting rights in respect of the Shares and Investments (so long as those Shares or Investments remain registered in the name of the Chargor) which the Security Trustee is or becomes entitled at such time to exercise in accordance with the terms of this Deed

7 6 Payment of calls

The Chargor shall pay when due all calls or other payments which become due and payable in respect of any of the Shares and Investments

7 7 Performance by Security Trustee

If the Chargor fails to perform any of the obligations relating to the Shares or Investments (including the payment of any call or other payment due in respect of any of the Shares or Investments), the Security Trustee may, at its sole discretion, do so on its behalf and any cost or expenses incurred by the Security Trustee in so doing shall be repaid by the Chargor to the

Security Trustee on written demand together with accrued interest thereon at the rate specified in clause 2.2 (Interest) from the time or respective times of the same until payment thereof (as well as after as before judgement)

7.8 No liability for Security Trustee

Notwithstanding the provisions of Clause 7.7 (Performance by Security Trustee) the Security Trustee shall not be obliged to perform any of the obligations of the Chargor in relation to the Shares or Investments nor shall it have any liability in respect of the Shares or Investments as a result of the grant of this Deed, the transfer of the Shares or Investments to it or its nominee or as a result of the performance or non-performance of any such obligation

8 Book debts

8.1 Collection of book debts

The Chargor shall use reasonable endeavours to get in and realise

8.1.1 any securities to the extent held by way of temporary investment,

8.1.2 book and other debts and other monies, and

8.1.3 royalties, fees and income of like nature in relation to Intellectual Property Rights,

in each case in the ordinary course of business and hold the proceeds of such getting in and realisation (until payment into a Project Account) upon trust for the Security Trustee

8.2 Payment into designated bank accounts

The Chargor shall as soon as reasonably practicable pay all monies received or receivable by it from any source (including the proceeds of collection of all book debts) into a Project Account (or, if one or more Project Accounts have been designated for this purpose under the Facilities Agreement, the designated Project Account(s) or following an Enforcement Event, such other bank account or accounts as the Security Trustee may specify),

9 Assigned documents

9.1 Representations

The Chargor represents to the Security Trustee as security trustee for each of the Finance Parties that

9.1.1 it has not assigned, charged or transferred any interest in the Assigned Documents save in accordance with this Deed,

9.1.2 it has not received or given a notice or intimation of termination, rescission, suspension or breach in respect of any of the Assigned Documents, and

9.1.3 the information contained in Schedule 1 (Assigned Documents) is complete and accurate in all respects

9.2 Duty to perform

The Chargor agrees that notwithstanding the provisions of Clause 3.4 (Assignment by way of security), it shall remain liable to perform all its obligations under and, prior to the enforcement of the security created by this Deed pursuant to Clause 10 (When security becomes enforceable), shall be entitled to exercise all rights, remedies, powers and discretions conferred on it under the Assigned Documents subject to and in accordance with the

provisions of the Finance Documents and the Security Trustee shall not have any liability or responsibility under any of the Assigned Documents to the Chargor or any other party

9 3 Failure to perform

Without prejudice to Clause 9 2 (Duty to perform), if the Chargor fails to perform any of its obligations under any of the Assigned Documents, the Security Trustee shall be entitled, but not required, to perform or procure performance of such obligations in accordance with such Assigned Documents, and the amount of all payments made or costs incurred by the Security Trustee in that respect, shall be reimbursed by the Chargor to the Security Trustee on written demand together with accrued interest thereon at the rate specified in clause 2 2 (Interest) from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment)

10 When security becomes enforceable

The security created by this Deed will become immediately enforceable upon the occurrence of an Enforcement Event

11 Enforcement of security

11 1 Enforcement

After the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable), the Security Trustee may in its absolute discretion without prior notice to the Chargor enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in any manner it sees fit

11 2 Powers of Security Trustee

Any right, power or discretion conferred by this Deed or by law on a Receiver may after the security created by this Deed has become enforceable, to the extent permitted by law, be exercised by the Security Trustee in relation to any Charged Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver

11 3 Statutory Provisions

11 3 1 The rights, powers, privileges and immunities conferred on mortgagees or receivers by the LPA, the Insolvency Act, the Insolvency Rules 1986 or by any other enactment now or at any time in force shall apply to the Security Trustee and any Receiver except in so far as they are expressly or impliedly excluded and where there is any ambiguity or conflict between powers conferred by that legislation and those contained in this Deed the terms of this Deed shall prevail

11 3 2 The Chargor shall not exercise or agree to exercise any of the powers of leasing or of accepting surrenders of leases conferred by sections 99 and 100 of the LPA or by common law or otherwise or grant or accept or agree to grant or accept any lease, tenancy or licence or share or agree to share possession or occupation of the Charged Assets but the Security Trustee shall be entitled to grant and make agreements for leases at a premium or otherwise and accept surrenders of leases and grant options on such terms as the Security Trustee shall consider expedient and without statutory or other restrictions

11 3 3 For the purposes of Section 99 of the LPA, the expression "Mortgagor" will include any encumbrancer deriving title under the Chargor and Sub-section (18) of Section 99 of the LPA will not apply

11 3 4 Section 93 of the LPA shall not apply to this Deed or to any sale made under it The Security Trustee shall have the right after the security created by this Deed

has become enforceable in accordance with Clause 10 (When security becomes enforceable) to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time

11 3 5 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 and the power of sale and other powers conferred by section 101 of the LPA (as varied or extended by this Deed) and all other powers shall be deemed to arise immediately after execution of this Deed and be exercisable on or at any time after the occurrence of an Enforcement Event

11 3 6 Section 103 of the LPA (restricting the exercise of the power of sale) shall not apply to this Deed

11 4 Protection of third parties

11 4 1 No purchaser from, or other person dealing with, the Security Trustee or a Receiver shall be concerned to enquire whether any of the powers exercised or purported to be exercised has arisen or become exercisable, whether any of the Secured Obligations remains outstanding, whether the Security Trustee or a Receiver is authorised to act or as to the propriety or validity of the exercise or purported exercise of any power and a certificate in writing by an officer or agent of the Security Trustee or any Receiver that the power of sale or other disposal has arisen and is exercisable shall be conclusive evidence of that fact in favour of a purchaser of all or any of the Charged Assets

11 4 2 The receipt of the Security Trustee or a Receiver shall be an absolute discharge to a purchaser from, or other person dealing with, the Security Trustee or a Receiver and shall relieve that purchaser of any obligation to see to the application of any monies paid to or at the discretion of the Security Trustee or a Receiver and in making any sale or disposal the Security Trustee or a Receiver may do so for such consideration, in such manner and on such terms (including payment by instalments) as it thinks fit

11 5 Protection of the Security Trustee and Receiver

Neither the Security Trustee nor any Receiver shall be liable to account to the Chargor as mortgagee in possession in respect of any Charged Asset or be liable to the Chargor in respect of any loss or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of their respective powers or for any other loss of any nature whatsoever, unless such loss or damage arises as a result of the gross negligence, wilful misconduct or fraud of the Security Trustee or any Receiver

11 6 Delegation

11 6 1 The Security Trustee and any Receiver may from time to time delegate by power of attorney or otherwise to any person or corporation any of the powers and discretions of the Security Trustee or the Receiver under this Deed whether arising by statute, the provisions hereof or otherwise upon such terms and for such periods of time as it may think fit and may determine any such delegation

11 6 2 Neither the Security Trustee nor any Receiver will be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate, and references in this Deed to the Security Trustee or to any Receiver will where the context so admits include references to any delegates so appointed, unless such loss or damage arises as a result of the gross negligence, wilful misconduct or fraud of the Security Trustee, any receiver or any delegates

11 7 Prior charges

- 11 7 1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security in case of exercise by the Security Trustee or any Receiver of any power of sale under this Charge the Security Trustee may redeem such prior security or procure the transfer thereof to itself
- 11 7 2 The Security Trustee may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled and passed will be conclusive and binding on the Chargor
- 11 7 3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Trustee on demand together with accrued interest thereon at the rate from time to time applicable to unpaid sums specified in the Facilities Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgement)

12 Receivers and administrators

12 1 Appointment and Removal

Without prejudice to the provisions of the Insolvency Act, at any time after having been requested to do so by the Chargor or after the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable), the Security Trustee may by instrument in writing (under seal, by deed or otherwise under hand), without prior notice to any Chargor

- 12 1 1 (subject to section 72A of the Insolvency Act) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets,
- 12 1 2 remove (so far as it is lawfully able) any Receiver so appointed,
- 12 1 3 appoint another person(s) as an additional or replacement Receiver(s), and
- 12 1 4 appoint one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986

12 2 Receiver as agent of the Chargor

A Receiver shall be the agent of the Chargor and, except as otherwise required by the Insolvency Act, the Chargor shall be solely responsible for his acts and defaults and liable on any contract or engagements made or entered into or adopted by him

12 3 Remuneration of Receiver

The Security Trustee may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by law (including Section 109(6) of the LPA) shall not apply. The amount of such remuneration shall be paid in accordance with the terms and conditions and in the manner agreed from time to time between the Security Trustee and the Receiver

12 4 Powers of Receiver

A Receiver shall have (and be entitled to exercise in such manner and on such terms as he may in his absolute discretion think fit) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed)

- 12 4 1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act (whether or not the Receiver is an administrative receiver) (or in Schedule 2 thereof in the event of the Chargor being a company registered in Scotland),
- 12 4 2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA,
- 12 4 3 power to sell (whether by public auction or private contract or otherwise) all or any of the Charged Assets on any terms and for any consideration (including without limitation for deferred consideration or a consideration payable wholly or partly in instalments or consisting in whole or in part of shares or securities of any other company or of any other non-cash asset),
- 12 4 4 power to grant any lease or tenancy or right of or affecting the Charged Assets for any term or terms of years at any or no rent and with or without any premium and accept the surrender of any lease or tenancy or right and give a valid receipt for any premium payable on any such grant or surrender and to amend or vary any lease, licence agreement or other arrangement in any way relating to or affecting the Charged Assets,
- 12 4 5 power to grant options to sell, lease, licence or dispose of the Charged Assets,
- 12 4 6 power to enter on or otherwise take possession of the Charged Assets to repair, convert, manufacture, process, decorate, alter, renew, improve, add to or develop or to complete any development or building which may be unfinished and to settle, compound, compromise or submit to arbitration any accounts or claims arising out of the commencement, carrying on or completion of any such development or building,
- 12 4 7 power to redeem any mortgage, charge or other encumbrance on, over or affecting the Charged Assets or any part of it,
- 12 4 8 power to repair, renew or improve plant, machinery, implements, furniture, equipment and other effects of the Chargor in or on the Charged Assets,
- 12 4 9 power to settle or compromise or submit to arbitration any claim or claims on or against the Charged Assets or claim or dispute arising out of the Charged Assets,
- 12 4 10 power to disclaim, abandon or disregard all or any of the outstanding contracts of the Chargor and to allow time for payment by or to the Chargor of any debts either with or without security,
- 12 4 11 power to manage and carry on or concur in managing or carrying on upon the Charged Assets any type of trade or business and to enter and perform such contracts and arrangements and incur any obligations in relation thereto,
- 12 4 12 power to make or exercise an election pursuant to paragraphs 2 and 3 of Schedule 10 to the Value Added Tax Act 1994 in relation to the Charged Assets or exercise any option or right of election available to the Chargor or the Security Trustee or the Receiver that the supplies made in respect of any lease or tenancy of any part of the Charged Assets shall be supplies chargeable or taxable for value added tax purposes at the standard or other applicable rate provided always that neither the Security Trustee nor the Receiver shall be liable for any loss suffered by the Chargor as a result and to execute all documents, and perform such acts or things as a result and to execute all documents, and perform such acts or things as maybe necessary to permit any disposal of the Charged Assets to be zero-rated for the purposes of value added tax,

- 12 4 13 power to exercise all voting and other rights attaching to stocks, shares and other securities comprising or comprised within the Charged Assets,
- 12 4 14 power to exercise in relation to any Charged Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Asset, and
- 12 4 15 power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Chargor, the preservation, improvement, collection and/or realisation of Charged Assets, and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor)

12 5 **Discretions**

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may, subject to clause 20 (Evidence and calculations) be exercised or made in its absolute and unfettered discretion without any obligation to give reasons

12 6 **Powers may be restricted**

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

12 7 **Actions of any Administrators**

Save as provided for in statute or otherwise agreed in writing by that Finance Party, no Finance Party shall have any liability for the acts or omissions of an Administrator

13 **Set off**

A Finance Party may set-off any matured obligation due from the Chargor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off

14 **Expenses and indemnity**

14 1 **Expenses**

The Chargor shall within five (5) Business Days of written demand pay to the Security Trustee and each Receiver, attorney or delegate duly appointed by the Security Trustee under this Deed the amount of all costs and expenses (including legal fees and together with any applicable value added tax) incurred by it in connection with

- 14 1 1 the perfection of any security created or purported to be created pursuant to this Deed, and
- 14 1 2 the enforcement and preservation of its rights under this Deed

14 2 Indemnity

The Chargor shall indemnify the Security Trustee and each Receiver from and against all losses, costs, expenses, claims, demands and liabilities whether in contract, delict, tort or otherwise (together with any applicable value added tax) incurred by the Security Trustee or that Receiver or by any employee, agent or delegate of the Security Trustee or any Receiver in connection with anything done or omitted under this Deed or any other document relating to it (other than any losses, costs, expenses, claims, demands or liabilities arising as a result of the gross negligence, wilful misconduct or fraud of the Security Trustee or any Receiver), or in the exercise or attempted or purported exercise of the powers contained in this Deed or occasioned by any breach by the Chargor of any of its undertakings or other obligations to the Security Trustee, or in consequence of any payment in respect of the Secured Obligations (whether made by the Chargor or a third person) being declared void or impeached for any reason. The Security Trustee and any Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

15 Release of security

15 1 Release of security

When the Secured Obligations have been irrevocably paid or discharged in full to the reasonable satisfaction of the Security Trustee and no Finance Party has any further obligation to provide credit facilities or other accommodation to any Obligor or, if the Security Trustee so agrees, at any other time, the Security Trustee shall, subject to the provisions of Clause 16 (Avoidance of Payments), at the request and cost of the Chargor, as soon as reasonably practicable execute such documents as may be required to release this Deed and any other security created over the Charged Assets or any of them by this Deed.

15 2 Entitlement to retain security

If any payment or discharge of the Secured Obligations is, in the reasonable opinion of the Security Trustee, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Security Trustee may refuse to grant any release of the security created by this Deed for such further period as the risk of such avoidance or invalidity continues.

16 Avoidance of payments

No assurance, security or payment which may be avoided or adjusted under the law, including under any statute relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Security Trustee to recover the Secured Obligations from the Chargor (including any monies which any Finance Party may be compelled to pay or refund under the provisions of the Insolvency Act and any costs payable by it pursuant to or otherwise incurred in connection therewith) or to appoint a Receiver and enforce the security created by this Deed to the full extent of the Secured Obligations.

17 Cumulative remedies and waivers

The rights of the Security Trustee and the Receiver may be exercised as often as necessary, are cumulative and are in addition to its respective rights under general law and may be waived only in writing and specifically. Delay in the exercise or non-exercise of any right shall not be a waiver of that right.

18 Partial invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the

remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired

19 Evidence and calculations

Any certificate or determination by the Security Trustee as to the amount of the Secured Obligations shall, in the absence of manifest error, be conclusive and binding on the Chargor for all purposes

20 Application of proceeds

20 1 Application of proceeds

Any moneys received by the Security Trustee or any Receiver after the security created by this Deed has become enforceable in accordance with Clause 10 (When security becomes enforceable) shall be applied in accordance with the provisions of the Intercreditor Deed

20 2 Other claims

The provisions of Clause 20 1 (Application of Proceeds) are subject to the payment of any claims having priority over the security created by this Deed. This Clause does not prejudice the right of any Finance Party to recover any shortfall from the Chargor

21 New accounts

21 1 New Accounts

If the Security Trustee at any time becomes aware of any subsequent security or other like interest, matter, event or transaction affecting any Charged Asset, the Security Trustee may open a new account or accounts for the Chargor in its books

21 2 Ruling off

If the Security Trustee does not open any such new account then, unless it gives express written notice to the relevant Chargor to the contrary, the Security Trustee will be treated as if it had in fact opened such account or accounts at the time when it became so aware and as from that time all payments by or on behalf of the Chargor to the Security Trustee will be credited or treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations then outstanding

22 Suspense accounts

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Security Trustee may think fit pending their application from time to time (as the Security Trustee is entitled to do in its discretion) in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above

23 Power of attorney

23 1 Appointment and powers

By way of security for the obligations of the Chargor under this Deed, the Chargor irrevocably appoints the Security Trustee and every Receiver to be its attorney on its behalf or in its name or otherwise to execute and do all such assurances, acts and things which the Chargor is

required to do under this Deed, and generally in its name and on its behalf to exercise all or any of the powers, conferred by or pursuant to this Deed or by statute on the Security Trustee or any Receiver and to sign, execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may reasonably deem proper in or for the purpose of exercising any such powers, authorities and discretions -

23 1 1 execute and give all such assurances, acts and things which the Chargor is required to give under this Deed and generally in its name and on its behalf to exercise all or any of the powers, conferred by or pursuant to this Deed or by statute on the Security Trustee or any Receiver, provided that the Security Trustee or a Receiver has -

(i) made a written request to the Chargor to carry out the same and the Chargor has not complied with such request five (5) Business Days later, or

(ii) an Enforcement Event has occurred, and

23 1 2 (following the occurrence of an Enforcement Event), to sign, execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may reasonably deem proper in or for the purpose of exercising any such powers, authorities and discretions

23 2 Ratification

The Chargor ratifies and confirms whatever any such attorney mentioned in Clause 23 1 (Appointment and powers) shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such Clause, save where such attorney is guilty of gross negligence, wilful misconduct or fraud and resulting material Adverse Effect on the Chargor or its assets

24 Transfers

24 1 Transfer by Chargor

The Chargor may not assign or otherwise transfer its rights and obligations under this Deed

24 2 Transfer by Security Trustee

The Security Trustee may (without prejudice to its right to appoint any joint trustee) assign and transfer all or any of its rights and obligations under this Deed to any person appointed as its successor as Security Trustee (or any joint trustee) Subject to clause 29 (Confidentiality) of the Facilities Agreement, the Security Trustee shall be entitled to disclose such information concerning the Chargor and this Deed as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law

25 Notices

Any communication to be made under or in connection with this Deed shall be made in accordance with Clause 35 (Communications) of the Facilities Agreement

26 Land Registry

26 1 Request to the Land Registry

Where the whole or any part of the Real Property is registered under the Land Registration Act 1925 the Chargor hereby applies to the Chief Land Registrar for registration against the registered title of the following restriction

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge registered before entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Aviva Public Private Finance Limited (as Security Trustee for the Finance Parties) referred to in the charges register"

26 2 Further advances

If any Finance Party is obliged to make further advances under the Finance Documents, that obligation is deemed to be incorporated in this Deed and the Chargor applies to the Chief Land Registrar for the registration against the registered title of such of the Charged Assets (if any) as is registered under the Land Registration Act 1925 of a note that the Security Trustee is under an obligation to make further advances to the Chargor

27 Third parties

Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed or a Finance Party may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999

28 Perpetuity period

The perpetuity period for the trusts in this Deed is 125 years

29 Financial collateral

29 1 Right to appropriate

To the extent that the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226) (the "**Regulations**") the Security Trustee shall have the right after the security created by this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations

29 2 Value of financial collateral

For the purpose of Clause 29 1 (Right to appropriate), the value of the financial collateral appropriated shall be such amount as the Security Trustee reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it and the Chargor agrees that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

30 Stamp duty

The Chargor shall pay all stamp duties and other similar taxes or duties payable on or arising out of or in consequence of

30 1 the creation of the security constituted by this Deed, and

30 2 the execution and delivery of this Deed and any documents executed pursuant hereto

31 Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument

32 Governing law and jurisdiction

32 1 Governing law

This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England

32 2 Jurisdiction

32 2 1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**")

32 2 2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary

IN WITNESS WHEREOF this Deed has been executed as a deed on the date stated at the beginning of this Deed

Schedule 1

Assigned documents

Description	Parties
Shareholders' Agreement	Chargor Borrower Sponsors
Equity and Loan Note Subscription Agreement	Chargor Borrower Sponsors

Schedule 2

Notices of assignment

Notice of assignment of Assigned Documents

To []

Date []

Dear Sirs,

Debenture dated • 2013 between Blue3 (Staffs) (Holdings) Limited and Aviva Public Private Finance Limited (the "Debenture")

This letter constitutes notice to you that under the Debenture we have assigned to Aviva Public Private Finance Limited ("Security Trustee") as security all our present and future right, title and interest in and to the contract(s) listed below (the "Contract(s)"), including all monies payable to us, and any claims, awards and judgments received by or in favour of us, pursuant to or in connection with the following Contract(s)

[LIST OF THE CONTRACTS]

All moneys payable by you to us pursuant to the Contract(s) shall be paid without set off or counterclaim to account with [], account number [] (designated []), sort code [] unless and until you receive notice from the Security Trustee to the contrary, in which event you should make all future payments as then directed by the Security Trustee This authority and instruction is irrevocable without the prior written consent of the Security Trustee

We confirm that

- 1 we will remain liable under the Contract(s) to perform all the obligations assumed by us under the Contract(s),
- 2 none of the Security Trustee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract(s), and
- 3 the instructions and authorities in this letter are not to be revoked or amended without the prior written consent of the Security Trustee

Save as referred to in this letter we will also remain entitled to exercise all our rights, powers and discretions under the Contract(s), and you should continue to give notices under the Contract(s) to us, unless and until you receive notice from the Security Trustee to the contrary stating that the security has become enforceable In this event, all the rights, powers and discretions will be exercisable by, and notices shall be given to, the Security Trustee or as it directs

Please note that we have agreed that we will not amend or waive any provision of, assign or otherwise dispose of any of our rights under or in respect of or terminate the Contract(s) without the prior consent of the Security Trustee (not to be unreasonably withheld if permitted pursuant to the Facility Agreement), unless such amendment or waiver is

- (a) required by any applicable law,
- (b) of an administrative nature, or
- (c) not in any respect material

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Trustee at 37-43 Surrey Street, Norwich, NR1 3UY (attention Aviva Public Private Finance Limited as Security Trustee for the attention of Post Completions Team)

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

Yours faithfully

For and on behalf of

Acknowledgement of assignment of Assigned Documents

To Aviva Public Private Finance Limited as Security Trustee

Date []

Dear Sirs

Debenture dated • 2013 between Blue3 (Staffs) (Holdings) Limited and Aviva Public Private Finance Limited (the "Debenture")

We confirm receipt from [] (the "**Chargor**") of a notice dated [] 2013 of a charge by way of assignment upon the terms of a Debenture dated [] 2013 (the "**Debenture**") to Aviva Public Private Finance Limited (the "**Security Trustee**") of all the Chargor's right, interest and benefit in, to and under the Assigned Document (as specified in that notice) to which we are a party

We confirm that we

- 4 will pay all sums due, and give notices, under the Contract as directed in that notice,
- 5 have not received notice of the interest of any third party in or to the Contract, and
- 6 do not have and will not claim or exercise any set off or counterclaim in respect of any Contract unless it arises out of the Contract

We undertake

- (a) to disclose to you without any reference to or further authority from the Borrower such information relating to the Contract as you may at any time request,
- (b) to notify you of any breach by the Borrower of the Contract and to allow you or any of the other Finance Parties (as defined in the Debenture) remedy that breach, and
- (c) not to amend or waive any provision of or cancel or terminate the Contract on request by the Borrower without your prior written consent (not to be unreasonably withheld if permitted pursuant to the Facility Agreement), unless such amendment or waiver is
 - (i) required by any applicable law,
 - (ii) of an administrative nature, or
 - (iii) not in any respect material

We acknowledge that the Chargor will remain liable to perform all its obligations under the Assigned Document and the Security Trustee is under no obligation of any kind whatsoever under the Assigned Document nor under any liability whatsoever in the event of any failure by the Chargor to perform our obligations under the Assigned Document, and

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

Yours faithfully

Schedule 3

Shares

Registered owner	Company in which shares held	Registered No	Class and nominal value of shares	Number of shares
Blue3 (Staffs) (Holdings) Limited	Blue3 (Staffs) Limited	08403335	Ordinary shares of £1	10,000


EXECUTION PAGE

Chargor

Executed as a deed by **BLUE3 (STAFFS)**
(HOLDINGS) LIMITED on being by signed by

WAHDE STILLER

in the presence of

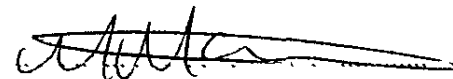
)
)
) 
Director

Witness' signature.

Witness' name (BLOCK CAPITALS)

Witness' address

Witness' occupation



MICHAEL MARSTON

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD

Solicitor

Security Trustee

EXECUTED as a DEED by

AVIVA PUBLIC PRIVATE FINANCE LIMITED  (but not delivered until dated)

ACTING BY ITS ATTORNEY

in the presence of

Signature of witness *Barbara Meeh*

Name of witness *B. Meeh*

Address of witness Sentinel House
 37 Surrey Street
 Norwich
 NR1 3UY

Occupation of witness Administrative Assistant