

219778 / 13

In accordance with  
Sections 859A and  
859J of the Companies  
Act 2006

MR01

Particulars of a charge



Companies House

A fee is payable with this form  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://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](http://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. If  
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 will  
be scanned and placed on the public record. **Do not send the original**

SATURDAY



\*A47JICTU\*

A05

16/05/2015

#159

COMPANIES HOUSE

**1 Company details**

Company number 0 9 4 3 5 0 7 3

Company name in full WASPS FINANCE PLC

For official use

→ 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 1 3 0 5 2 0 1 5

**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 U S BANK TRUSTEES LIMITED (AND ITS SUCCESSORS IN  
TITLE AND PERMITTED TRANSFEREES)

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

MR01

Particulars of a charge

<b>4</b>	<b>Brief description</b> Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument  Brief description	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"  Please limit the description to the available space
<b>5</b>	<b>Other charge or fixed security</b> Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>6</b>	<b>Floating charge</b> Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input checked="" type="checkbox"/> <b>Yes</b> Continue <input type="checkbox"/> <b>No</b> Go to <b>Section 7</b> Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> <b>Yes</b>	
<b>7</b>	<b>Negative Pledge</b> Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>8</b>	<b>Trustee statement <sup>ⓐ</sup></b> 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 <input type="checkbox"/>	<b>ⓐ</b> This statement may be filed after the registration of the charge (use form MR06)
<b>9</b>	<b>Signature</b> Please sign the form here  Signature X Kennedy's Law LLP (as solicitors for the Chargee) X  This form must be signed by a person with an interest in the charge	

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **ROBERT DAWBARN**

Company name **KENNEDYS LAW LLP**

Address **25 FENCHURCH AVENUE**

Post town **LONDON**

County/Region **LONDON**

Postcode **E C 3 M 5 A D**

Country **UNITED KINGDOM**

DX **766 LONDON CITY**

Telephone **+44 (0)20 7667 9667**



### 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](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.companieshouse.gov.uk)



FILE COPY

## CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9435073

Charge code: 0943 5073 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th May 2015 and created by WASPS FINANCE PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th May 2015

Dx

Given at Companies House, Cardiff on 26th May 2015



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**EXECUTION COPY**

Dated 13 May 2015

**WASPS FINANCE PLC  
WASPS HOLDINGS LIMITED  
ARENA COVENTRY LIMITED  
ARENA COVENTRY (2006) LIMITED**  
and  
**ELAVON FINANCIAL SERVICES LIMITED, UK BRANCH**  
and  
**U.S. BANK TRUSTEES LIMITED**

**SECURITY DEED**

relating to  
£35,000,000 6 50 per cent  
Guaranteed Secured Bonds due 2022

guaranteed by  
Wasps Holdings Limited  
and  
Arena Coventry Limited

We hereby certify  
this to be a true copy  
of the original

**Linklaters**

Ref EXM/RR/JD

Linklaters LLP

Kennedys Law LLP  
25 Fenchurch Avenue  
London  
EC3M 5AD

*Kennedys Law LLP*

## Table of Contents

Contents	Page
1 Interpretation .....	1
2 Grant of Security .....	7
3 Conversion of Floating Charge .....	9
4 Release and Reassignment.....	10
5 Provisions relating to Security .....	11
6 Restrictions on other Security .....	11
7 Representations, Warranties and Covenants.....	11
8 The Arena .....	16
9 Bank Accounts .....	18
10 Approved Investments .....	19
11 Enforcement of Security.....	20
12 Receiver .....	23
13 Delegation ... ..	26
14 Preservation of Security .....	26
15 Power of Attorney .....	30
16 Application of Proceeds .....	31
17 Expenses and Indemnities .....	31
18 Changes to Parties. ....	31
19 Miscellaneous.....	31
20 Partial Invalidity.....	32
21 Notices .....	32
22 Counterparts... ..	33
23 Contracts (Right of Third Parties) Act 1999.....	33
24 Governing Law and Jurisdiction .....	33
Schedule Notice for Interest Service Reserve Account .....	35

**This Security Deed is made on 13 May 2015 between**

- (1) **WASPS FINANCE PLC**, a public limited company incorporated under the laws of England and Wales (registered number 9435073) whose registered office is Twyford Avenue Sports Ground, Twyford Avenue, Acton, London W3 9QA (the "**Issuer**"),
- (2) **WASPS HOLDINGS LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 04187289) whose registered office is Twyford Avenue Sports Ground, Twyford Avenue, London W3 9QA ("**Wasps Holdings**" and, a "**Guarantor**"),
- (3) **ARENA COVENTRY LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 04440684) whose registered office is Arena, Phoenix Way, Foleshill, Coventry, CV6 6GE ("**ACL**", a "**Guarantor**" and, together with Wasps Holdings, the "**Guarantors**"),
- (4) **ARENA COVENTRY (2006) LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 5675263) whose registered office is Arena, Phoenix Way, Foleshill, Coventry, CV6 6GE ("**ACL2006**" and, together with the Issuer and the Guarantors, the "**Chargors**"),
- (5) **ELAVON FINANCIAL SERVICES LIMITED, UK BRANCH**, a private limited company incorporated under the laws of the Republic of Ireland whose registered office is at Fifth Floor, 125 Old Broad Street, London EC2N 1AR (the "**Principal Paying Agent**" and, a "**Paying Agent**" and in its capacity as Account Bank), and
- (6) **U S. BANK TRUSTEES LIMITED**, a private limited company incorporated under the laws of England and Wales (registered number 02379632) whose registered office is at Fifth Floor, 125 Old Broad Street, London EC2N 1AR (for itself and as trustee for each of the other Secured Creditors (as defined below)) (the "**Trustee**", which expression, where the context so admits, includes any other trustee for the time being appointed under this Security Deed)

#### **WHEREAS**

- (A) The Issuer has authorised the issue of £35,000,000 6 50 per cent Guaranteed Secured Bonds due 2022 (the "**Bonds**") secured, *inter alia*, over the Arena (as defined below) to be constituted by a trust deed dated the date hereof (as may be amended or supplemented from time to time, the "**Trust Deed**") and made between the Chargors and the Trustee
- (B) Each of the Guarantors has authorised the giving of a guarantee, on a joint and several basis, in relation to the Bonds pursuant to the terms of the Trust Deed
- (C) The Chargors have agreed to secure the Secured Liabilities (as defined below) on the terms set out in this Security Deed
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand

**It is agreed as follows**

#### **1 Interpretation**

- 1.1 **Definitions:** In this Security Deed, unless the context otherwise requires, (a) words and expressions defined in the Trust Deed shall have the same respective meanings and (b) the following words and expressions shall have the following meanings

**"ACL2006 Leases"** means each of

- (a) the lease dated 29 January 2015 made between (1) the Council of the City of Coventry and (2) ACL2006 comprising the land at the Ricoh Arena, Phoenix Way, Foleshill, Coventry CV6 6GE previously within title numbers WM821429 and MM24578 for a term of 250 years from 19 December 2003,
- (b) the lease dated 2 June 2006 made between (1) the Council of the City of Coventry and (2) Coventry North Regeneration Ltd comprising a footbridge over the A444 and title number WM862649 for a term of 50 years from 19 December 2003, and
- (c) the sub-underlease dated 7 February 2007 made between (1) ACL (2) Isle of Capri Casinos Ltd and (3) Isle of Capri Casinos in comprising the casino and other areas within the building at the Ricoh stadium and title number WM949747 for a term of 25 years from 25 December 2005,

**"ACL Leases"** means each of

- (a) the underlease dated 26 January 2006 made between (1) Coventry North Regeneration Ltd and (2) ACL comprising premises at Phoenix Way, Foleshill, Coventry and title number WM877011 for a term of 50 years less 3 days from 19 December 2003,
- (b) the underlease dated 18 June 2014 made between (1) ACL2006 and (2) ACL comprising the support structure of an LED screen and title number MM37107 for a term of 50 years less 3 days from 19 December 2003, and
- (c) the underlease dated 19 January 2012 made between (1) ACL2006 and (2) ACL comprising a footbridge over the A444 and title number MM138 for a term of 50 years less 3 days from 19 December 2003,

**"Acceleration Notice"** means a notice given by the Trustee to the Issuer pursuant to Condition 9 (*Events of Default*) that the Bonds are due and payable,

**"Account Bank"** means (a) Elavon Financial Services Limited, UK Branch in accordance with the terms of the Account Bank Agreement or (b) any bank, building society or financial institution with a rating equal to or higher than (i) A-2 (short-term) (or the equivalent) by S&P, (ii) F2 (short-term) (or the equivalent) by Fitch, or (iii) P-2 (short-term) (or the equivalent) by Moody's or (c) any other bank, building society or financial institution appointed by the Issuer, at its own expense, and approved in writing by the Trustee with whom the Interest Service Reserve Account is for the time being maintained by the Issuer,

**"Account Bank Agreement"** means the agreement dated on or around the date of the Trust Deed between the Issuer, the Trustee and the Account Bank, as amended from time to time,

**"Approved Investments"** means any sterling fixed rate securities, debenture, loan stock, security, note, bond, warrant, coupon, interest in any investment fund and any other investment (whether or not marketable) issued or guaranteed by Her Majesty's Government or the European Investment Bank maturing at no later date than two years from the date of their being charged under this Security Deed and whether held directly by or to the order of the Issuer or by any trustee, fiduciary or clearance system on its behalf and all Related Rights,

**"Arena"** means the property described at the Issue Date as the Ricoh Arena, Phoenix Way, Coventry CV6 6GE, as more particularly described in each of the Leases,

**"Assigned Rights"** means all rights, titles, benefits and interests, whether present or future, of the Issuer in, to or arising under the Inter-Company Loans including rights to any sums payable to the Issuer and the full benefit of any Security Interests, options, indemnities, guarantees and/or warranties in respect of the Inter-Company Loans,

**"Business Day"** means a day on which commercial banks and foreign exchange markets are open for business in London,

**"Chargor"** means each of the Issuer, the Guarantors and ACL2006, and **"Chargors"** means, collectively, the Issuer, the Guarantors and ACL2006,

**"Conditions"** means the terms and conditions set out in Schedule 1 to the Trust Deed as from time to time modified in accordance with the Trust Deed. Any reference to a particularly numbered **"Condition"** shall be construed accordingly,

**"Debenture"** means the debenture between Wasps Holdings Limited and Derek Richardson dated on or around the date of this Security Deed as security for the Shareholder Loan,

**"Default Rate"** means two per cent per annum above the rate of interest stated by National Westminster Bank PLC in London, England as being its "base rate",

**"Financial Indebtedness"** means any indebtedness for or in respect of (a) moneys borrowed, (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent, (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease, (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis), (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account), (h) shares which are expressed to be redeemable, (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, and (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above,

**"Fitch"** means Fitch Ratings Ltd or any successor to its rating business,

**"Fixtures"** means fixtures, fittings and fixed plant, machinery and apparatus,

**"Group"** means Wasps Holdings and its Subsidiaries taken as a whole,

**"IECE Shares"** means any Shares issued by IEC Experience Limited (registered number 8039699), the joint venture company owned by ACL and Compass Contract Services (UK) Limited,

**"Insurance"** or **"Insurances"** of any Person means any contract or policy of insurance of any kind from time to time taken out by or on behalf of it in relation to the Arena, any Fixtures and all Related Rights,

**"Inter-Company Loan(s)"** means the balance(s) outstanding from time to time under the inter-company loan agreement(s) and/or the written agreement(s) in respect thereof, as the case may be, between (i) the Issuer and Wasps Holdings and (ii) the Issuer and ACL, each dated on or before the Issue Date, by which the net cash proceeds of the Bonds are loaned on the Issue Date, and any further contract or agreement designated as such by the Issuer and the Trustee from time to time,

**"Interest Service Reserve Account"** means the sterling currency account of the Issuer referred to in the Conditions, which may be interest bearing, with account number 732334-01 opened with the Account Bank for the time being pursuant to the terms of the Account Bank Agreement,

**"Land Registry"** means Her Majesty's Land Registry,

**"Liabilities" or "Liability"** means any loss, damage, cost, fee, charge, claim, demand, expense, judgment, action, proceeding, amount of principal, premium, interest, make-whole amount, gross-up payment or any other amounts outstanding with respect to the Bonds, Coupons and/or the Transaction Documents or other liability whatsoever (including, in respect of taxes, duties, levies, imposts and other charges) and including any VAT and legal fees and expenses on a full indemnity basis,

**"Leases"** means the ACL2006 Leases and the ACL Leases,

**"Maturity Date"** means 13 May 2022,

**"Monetary Claims"** means, in relation to a Chargor, any book and other debts and monetary claims owing to that Chargor (other than in respect of the Interest Service Reserve Account) and all Related Rights,

**"Moody's"** means Moody's Investors Service, Inc. or any successor to its rating business,

**"Paying Agents"** means the paying agents for the time being as defined in the Conditions, and which include the Principal Paying Agent,

**"Permitted Collateral Security Interest"** has the meaning given to it in the Conditions,

**"Person"** means an individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, government, or any agency or subdivision thereof or any other entity,

**"P-Shares"** means the Shares issued by Premier Rugby Limited (registered number 03096937) and described as such in the Prospectus dated 24 April 2015,

**"P-Shares Secured Account"** has the meaning given to it in Clause 12.5,

**"Property Legal Advisor"** means Kennedys Law LLP or such other law firm or legal entity that may be appointed by the Issuer and the other Chargors from time to time,

**"Quasi Security"** means a transaction under which a Chargor will

- (a) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (b) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or
- (c) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset or undertaking,

**"Receiver"** means a receiver and manager or other receiver (whether appointed pursuant to the Transaction Documents, pursuant to any statute, by a court or otherwise) in respect of all or part of any Secured Property and shall, if allowed by law, include an administrative receiver,

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

- (a) all rights under any licence, agreement for sale or agreement for lease or other use in respect of all or any part of that asset,
- (b) all rights, powers, benefits, claims, contracts, warranties, remedies, covenants for title, security, guarantees or indemnities in respect of any part of that asset,
- (c) the proceeds of sale, transfer or other disposal, lease, licence, or agreement for sale, transfer or other disposal, lease or licence of all or any part of that asset,
- (d) any other moneys paid or payable in respect of that asset,
- (e) any awards or judgments in favour of the Issuer, a Guarantor and/or ACL2006 in relation to that asset, and
- (f) any right against any clearance system and any right under any custodian or other agreement,

**"S&P"** means Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc , or any successor to its rating business,

**"Secured Creditors"** means each of (a) the Trustee, (b) any Receiver appointed by the Trustee, (c) the Paying Agents and the Account Bank, (d) the Bondholders and (e) the Couponholders,

**"Secured Liabilities"** means all present and future moneys, debts and liabilities due, owing or incurred by the Issuer and/or either Guarantor to the Secured Creditors or any of them under or in connection with the Bonds, Coupons and/or any Transaction Document (in each case, whether alone or jointly, or jointly and severally, with any other Person, whether actually or contingently and whether as principal, guarantor, surety or otherwise),

**"Secured Property"** means the undertaking, property, assets and interests from time to time subject, or expressed to be subject, to the Security or any part of those assets and Related Rights,

**"Security"** means any Security Interest created, evidenced or conferred by or under this Security Deed,

**"Security Interest"** means any mortgage, lien, charge, assignment, hypothecation or security interest or any other arrangement having a similar effect under the laws of any applicable jurisdiction,

**"Shares"** means, in relation to any Person

- (a) all shares (whether or not paid up) presently issued by such Person and any other shares issued in the future by such Person,

- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares,
- (c) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar Person holding any such right, title or interest on its behalf, and all dividends, due or declared, and other Related Rights,

**"Shareholder Loan"** means the £20 million subordinated loan from Derek Richardson to Wasps Holdings Limited made pursuant to an amended loan agreement dated 24 April 2015 as further amended and/or supplemented from time to time,

**"Subsidiary"** means a subsidiary within the meaning of section 1159 of the Companies Act 2006,

**"Transaction Documents"** means the Trust Deed, the Security Deed, the Agency Agreement, the Account Bank Agreement and any document supplemental thereto or issued in connection therewith, and

**"UNCITRAL Regulations"** means the Cross-Border Insolvency Regulations 2006, SI2006/1030

## 1.2 Construction of this Security Deed

- 1 2 1 The fact that the details of any assets or titles described in this Security Deed are incorrect or incomplete shall not affect the validity or enforceability of this Security Deed in respect of the assets of any Chargor
- 1 2 2 In this Security Deed, unless the context otherwise requires, references to the Trust Deed, any other Transaction Document or any other agreement, deed or document shall be construed as a reference to the relevant agreement, deed or document as the same may have been, or may from time to time be, replaced, extended, amended, varied, novated, supplemented or superseded in accordance with its terms and includes any agreement, deed or other document expressed to be supplemental to it, as from time to time so extended, amended, varied or novated
- 1 2 3 An action, remedy or method of judicial proceedings for the enforcement of creditors' rights shall include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto
- 1.2.4 A statute or statutory provision shall include that statute or provision as from time to time modified, re-enacted or consolidated
- 1.2.5 References to costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof
- 1 2 6 A "judgment" shall include any order, injunction, determination, award or other judicial or arbitral measure in any jurisdiction
- 1 2 7 "assets" include present and future properties, revenues and rights of every description

1 2 8 Headings are for ease of reference only and shall be ignored in interpreting this Security Deed

1 2 9 The Schedule forms part of this Security Deed and shall have effect accordingly

1 2 10 Time shall be of the essence in this Security Deed

### **1.3 Trustee Act 1925 and Trustee Act 2000**

1 3 1 Section 1 of the Trustee Act 2000 shall not apply to any function of the Trustee, provided that if the Trustee fails to show the degree of care and diligence required of it as trustee, nothing in this Security Deed shall relieve or indemnify it from or against any liability which would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty

1 3 2 Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Security Deed, the provisions of this Security Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Security Deed shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000

1 3 3 The protective provisions of the Trust Deed in favour of the Trustee shall apply to this Security Deed and, without limiting the generality of the foregoing, the terms of Clause 8 (*Remuneration and Indemnification of the Trustee*) and Clause 9 (*Provisions Supplemental to the Trustee Act 1925 and the Trustee Act 2000*) of the Trust Deed shall apply to this Security Deed in connection with the exercise by the Trustee of its functions under this Security Deed as if set out in full herein

### **1.4 Third Parties**

1 4 1 Except as otherwise expressly provided in Clause 11 4, Clause 17 or elsewhere in this Security Deed, the terms of this Security Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded

1 4 2 Notwithstanding any term of this Security Deed, but subject to the terms of the Trust Deed and the Bonds, no consent of a third party is required for any termination or amendment of this Security Deed

1 4 3 Any party to any Transaction Document shall include its successors in title, permitted assigns and permitted transferees

## **2 Grant of Security**

### **2.1 Legal mortgage – Arena.**

2 1 1 ACL hereby grants and agrees to grant in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first legal mortgage with full title guarantee and as continuing security for the payment of all Secured Liabilities, all of its rights, title, interest and benefit, existing now and in the future, in and to the Arena

2 1 2 ACL2006 hereby grants and agrees to grant in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first legal mortgage with full title guarantee and as continuing security for the

payment of all Secured Liabilities, all of its rights, title, interest and benefit, existing now and in the future, in and to the Arena

## **2.2 Legal mortgage and fixed charge – Shares of ACL2006:**

2 2 1 ACL hereby grants and agrees to grant in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first mortgage with full title guarantee and as continuing security for the payment of all Secured Liabilities, all of its rights, title and interest in and to all of its shares held in ACL2006 (the “**ACL2006 Shares**”) from time to time

2 2 2 ACL hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first fixed charge with full title guarantee and as continuing security for the payment of all Secured Liabilities, all Related Rights in relation to the ACL2006 Shares from time to time, to the extent not validly and effectively mortgaged under Clause 2 2 1

**2.3 Fixed charge – Insurances:** Each of ACL and ACL2006 hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first fixed charge with full title guarantee and as continuing security for the payment of all Secured Liabilities, all of their respective present and future rights, titles and interests from time to time in and to any and all Insurances

**2.4 Fixed charges – Interest Service Reserve Account; Approved Investments.** The Issuer hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first fixed charge with full title guarantee and as continuing security for the payment of all Secured Liabilities, all of its present and future rights, title, interest and benefit in and to

2 4 1 the Interest Service Reserve Account and any other account(s) with any bank or financial institution in which the Issuer now or in the future has an interest (including the P-Shares Secured Account, if applicable), together with all moneys from time to time standing to the credit thereof (including any interest thereon), all debts represented by those amounts and all Related Rights,

2 4 2 the Account Bank Agreement, and

2 4 3 any Approved Investments (and any other investments (whether or not marketable)) from time to time acquired, together with all moneys, income and proceeds payable or due to become payable in respect of such Approved Investments and all other interest accruing on such investments from time to time and all Related Rights

## **2.5 Fixed charge and assignment – Inter-Company Loans**

2 5 1 The Issuer hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first fixed charge with full title guarantee and as continuing security for the payment of all Secured Liabilities, all of its present and future rights, title and interest in and to the Inter-Company Loans

2 5 2 The Issuer hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of assignment with full title guarantee and as continuing security for the payment of

all Secured Liabilities, all of its present and future rights, title and interest in and to the Inter-Company Loans and all Assigned Rights

**2.6 Fixed charge – moneys held by the Agents:** The Issuer and each Guarantor hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first fixed charge with full title guarantee and as continuing security for the payment of all Secured Liabilities, all moneys held from time to time by the Principal Paying Agent and any other paying agents under the Conditions for payment of principal, premium, interest or other amounts in relation to the Bonds or Coupons

**2.7 Assignment – Agency Agreement:** The Issuer and each Guarantor hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of assignment with full title guarantee and as continuing security for the payment of all Secured Liabilities, all their respective present and future rights, titles, benefits and interests under the Agency Agreement and all sums derived therefrom

**2.8 Floating charge**

**2.8.1** Each Chargor, with full title guarantee and as continuing security for the payment of all Secured Liabilities, hereby charges and agrees to charge in favour of the Trustee, on trust for and on behalf of itself, the Bondholders and the other Secured Creditors by way of first floating charge, all of its and their present and future undertaking, property, assets and rights of whatever type and wherever located, including but not limited to the assets expressed to be charged pursuant to the foregoing provisions of this Clause 2

**2.8.2** The floating charge created by each Chargor hereby is a "qualifying floating charge" for the purposes of paragraph 14.2 of Schedule B1 to the Insolvency Act 1986 and accordingly paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to this Security Deed

**2.9 Insurances** ACL and ACL2006 shall each procure that the Security over any Insurances from time to time is noted thereon

**2.10 Acknowledgments and Undertakings** Each of the Secured Creditors and Chargors hereby acknowledges the Security made or granted by the foregoing provisions of this Clause 2 and undertakes to the Trustee not to do anything inconsistent with the Security given under or pursuant to this Security Deed or knowingly to prejudice the Security granted or expressed to be granted to the Trustee pursuant to this Clause 2 or the Secured Property or the Trustee's interest therein provided that, without prejudice to Clause 12, nothing herein shall be construed as limiting the rights exercisable by any Secured Creditor in accordance with and subject to the terms of the other Transaction Documents

**3 Conversion of Floating Charge**

**3.1 Conversion by Notice:** The Trustee may at its absolute discretion, subject to its being indemnified and/or secured and/or prefunded to its satisfaction, by giving notice to any Chargor, convert the floating charge created by the Chargors under Clause 2.8 with immediate effect into first fixed charges as regards all or any of the Chargors' undertaking and assets or such of them as may be specified in the notice, at any time, if (i) an Event of Default has occurred and is continuing or (ii) the Trustee reasonably believes that the

Secured Property that is the subject of the floating charge or any part thereof is in danger of being seized or sold under any form of distress, attachment or diligence, or execution levied or threatened, or any circumstance shall occur which, in the opinion of the Trustee, imperils or will imperil the Security created by this Security Deed or any Chargor takes or threatens to take any action that would be prejudicial to the Security or would be inconsistent with the Security expressed to be created hereby and, by way of further assurance, the Chargors, at their own expense, shall execute and deliver all documents in such form as the Trustee shall require and shall deliver to the Trustee all conveyances, deeds, certificates and documents which may be necessary or desirable to perfect any such first fixed charge

**3.2 Automatic Crystallisation:** In addition, and without prejudice to any other event resulting in a crystallisation of the floating charge, the floating charge contained herein shall automatically be converted into a fixed charge over the undertaking and all property, assets and rights of whatever type and wherever located, including but not limited to those expressed to be secured pursuant to Clause 2, of the Chargors, if and when

- 3.2.1 An Acceleration Notice is delivered by the Trustee,
- 3.2.2 any Chargor takes any step to create any Security Interest and/or Quasi Security in breach of Clauses 6 or 7 over any of the Secured Property that is not already subject to a fixed charge,
- 3.2.3 any Person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Secured Property that are the subject of the floating charge but not already subject to a fixed charge,
- 3.2.4 the Issuer or any other Chargor ceases to carry on all or substantially all of its business or ceases to be a going concern or thereafter to do any of the foregoing,
- 3.2.5 the Issuer or any other Chargor stops making payments to its creditors or gives notice to creditors that it intends to stop payments,
- 3.2.6 the holder of any other Security Interest in relation to any Chargor (however such Security Interest ranks in relation to the Security) appoints a Receiver, or
- 3.2.7 any floating charge granted by the Issuer or any other Chargor to any other Person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever

#### **4 Release and Reassignment**

Upon the irrevocable payment, discharge and performance of all of the Secured Liabilities, to the satisfaction of the Trustee, and provided that no Potential Event of Default or Event of Default shall have occurred and be continuing the date of the request, the Trustee shall, at the request and cost of the Chargors

- 4.1.1 release and re-assign to the relevant Chargor all rights, title and interest in and to the relevant Secured Property, and
- 4.1.2 execute such notices, directions or other documents to any Person as the Chargors reasonably request in order to give effect to such release and re-assignment,

in each case, without liability, recourse to or any representation or warranty by the Trustee or any other Person

## **5 Provisions relating to Security**

### **5.1 All Security**

5.1.1 is created in favour of the Trustee for itself and on behalf of the Bondholders and the other Secured Creditors, and

5.1.2 is a continuing security for the payment, discharge and performance of all of the Secured Liabilities and will extend to the ultimate balance of all sums payable by the Issuer and the Guarantors to the Secured Creditors under the Transaction Documents regardless of any intermediate payment or discharge in whole or in part

5.2 The Security created pursuant to this Security Deed shall be in addition to and not in substitution for or derogation of any other security (whether given by the Chargors or otherwise) now or from time to time hereafter held by the Trustee or any other Secured Creditor in respect of or in connection with any or all of the Secured Liabilities

5.3 The Trustee hereby declares that it shall hold the benefit of this Security Deed on trust for itself and the Bondholders and each of the other Secured Creditors upon and subject to the terms and conditions of this Security Deed and the Trust Deed

5.4 Without prejudice to the rights of the Trustee after the Security has become enforceable, each Chargor hereby authorises the Trustee, prior to the Security becoming enforceable, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies under or in respect of this Security Deed and the other Transaction Documents in such manner as the Trustee in its absolute discretion thinks fit

5.5 If the Trustee considers in its sole discretion that an amount paid to a Secured Creditor under any Transaction Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then the Security and the liability of each Chargor under this Security Deed shall continue and that amount will not be considered to have been irrevocably paid for the purposes of this Security Deed

## **6 Restrictions on other Security**

So long as any Secured Liabilities remain outstanding, neither the Issuer, either Guarantor nor ACL2006 shall, directly or indirectly, create, permit to subsist or have outstanding any Security Interest or any Quasi Security, other than the Security, upon the whole or any part of its or their present or future undertaking, assets or revenues (including uncalled capital), whether owned on the Issue Date or acquired after that date, or any interest therein or any income or profits therefrom, which is securing any Financial Indebtedness, except for Permitted Collateral Security Interests (as defined in the Conditions)

## **7 Representations, Warranties and Covenants**

7.1 **Representations and warranties:** Each Chargor jointly and severally represents and warrants to and (where applicable) agrees with the Trustee (on behalf of the Secured Creditors) as at the date of this Security Deed that

- 7.1.1 **Status** It is duly incorporated and validly existing under the laws of England and Wales, with full power and authority to own its property and assets and carry on its business
- 7.1.2 **Binding obligations** The obligations expressed to be assumed by it under the Bonds and in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations
- 7.1.3 **Power and authority** It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and all transactions contemplated by the Transaction Documents
- 7.1.4 **No default** No Potential Event of Default or Event of Default has occurred or is reasonably likely to result from the entry into, the performance of, or any transaction contemplated by, the Transaction Documents
- 7.1.5 **Beneficial Owner** The Chargors are the beneficial owners of each of the properties, assets and undertaking over which they, respectively, purport to grant security pursuant to this Security Deed, free from any encumbrances (save for those created by this Security Deed and any Permitted Collateral Security Interests)
- 7.1.6 **Ownership** ACL's entire issued and outstanding share capital is beneficially owned by Wasps Holdings, ACL2006's entire issued and outstanding share capital is beneficially owned by ACL, and ACL beneficially owns 77 per cent of the entire issued and outstanding share capital of IEC Experience Limited
- 7.1.7 **Security** (a) upon execution of this Security Deed, and subject to the registration referred to in Clause 7.3.11, the Secured Liabilities will be secured by and in accordance with this Security Deed and (b) the creation by the Chargors of the Security over their property, assets and undertaking in accordance with the provisions of this Security Deed will not render the relevant Chargor, or any of them or any other member of the Group, liable to offer or extend the benefit of such security to any Persons other than the Trustee (as trustee on behalf of the Secured Creditors)
- 7.1.8 **Ranking** All Security has and will continue to have first ranking priority and it is not subject, and no Secured Property is subject, to any prior ranking or (save as permitted by, or provided for in, the Transaction Documents or with the prior written consent of the Trustee) *par passu* ranking Security Interest
- 7.1.9 **Certificates of Title** The information provided to the Property Legal Advisor for the purposes of preparing any certificate of title in relation to the Arena
- (i) is true in all material respects at the date it was expressed to be given and did not omit any information which, if disclosed, would make that information untrue or misleading in any material respect, and
  - (ii) as at the date of this Security Deed, nothing has occurred since the date of any information referred to above which renders that information untrue or misleading in any respect and which, if disclosed, would make that information untrue or misleading in any material respect

- 7.1.10 **COMI** It has its "centre of main interests", as that term is used in Article 3(1) of the EU Insolvency Regulation and in the UNCITRAL Regulations, in England and Wales
- 7.1.11 **Establishment** It has no establishment, as that term is defined in Article 2(h) of the EU Insolvency Regulation and in the UNCITRAL Regulations, and no branch office outside the United Kingdom
- 7.1.12 **Management and Administration:** Its management and the place at which meetings of its board of directors are held are all situated in England and Wales
- 7.1.13 **Taxes** It is, and has been since the date of its incorporation, resident for tax purposes solely in the United Kingdom and it has filed all tax returns required to be filed in any applicable jurisdiction within applicable time limits and has paid all taxes payable by it to the extent they have become due
- 7.1.14 **Consents** It does not require the consent of any other party or other Person or the consent, licence, approval or authorisation of any governmental or regulatory authority in the United Kingdom in connection with the execution and delivery by it of the Transaction Documents to which it is expressed to be a party, the performance by it of its obligations under the Transaction Documents to which it is expressed to be a party and the compliance by it with their terms, except for those which have been obtained and are in full force and effect
- 7.1.15 **Compliance** The execution and delivery by it of the Transaction Documents to which it is expressed to be a party, the performance by it of its obligations under the Transaction Documents to which it is expressed to be a party and the compliance by it with their terms do not and will not (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the documents constituting it, or any indenture, trust deed, mortgage or other agreement or instrument to which each Chargor is a party or by which it or any of its assets is bound or (ii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any governmental authority, regulatory body or court, domestic or foreign, having jurisdiction over it or any of its assets
- 7.2 Negative Covenants** So long as any Secured Liabilities are outstanding, each Chargor covenants and undertakes with the Trustee (on behalf of the Secured Creditors) that it shall not (save as permitted by, or provided for in, the Transaction Documents or with the prior written consent of the Trustee)
- 7.2.1 **No Security.** Create or permit to subsist, or have outstanding, any Security Interest, upon the whole or any part of its present or future undertaking, assets or revenues
- 7.2.2 **Restrictions on Activities:**
- (i) engage in any activity which is not incidental to or necessary in connection with any of the activities which the Transaction Documents provide or envisage that the relevant Chargor will engage in (and which, in the case of the Issuer, is (y) to carry out the business of a company which has as its purpose raising finance and on-lending such finance for the benefit of itself and the members of the Group and (z) to perform any act incidental to or necessary in connection with (y)), or

- (ii) in the case of the Issuer, have or form any subsidiaries or employees or premises or act as a director of any company,
- 7.2.3 Equitable Interests** Permit any person, other than the Trustee (on behalf of the Secured Creditors), to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right title or benefit therein
- 7.2.4 Dividends or Distributions** Pay any dividend or make any other distribution to its shareholders or issue any further Shares or alter any rights attaching to its Shares,
- 7.2.5 Borrowings.** Incur any Financial Indebtedness or give any guarantee or indemnity in respect of any Financial Indebtedness or obligation of any Person
- 7.2.6 Merger** Consolidate or merge with any other Person or convey or transfer its properties or assets substantially or as an entirety to any other Person
- 7.2.7 Bank Accounts** In the case of the Issuer, have an interest in any bank account, other than the Interest Service Reserve Account, unless such account or interest is charged in favour of the Trustee so as to form part of the Security on terms acceptable to the Trustee
- 7.2.8 Tax Grouping:** In the case of the Issuer
  - (i) form or become part of any group of companies for the purposes of value added tax, or
  - (ii) surrender or consent to the surrender of any amounts by way of group relief within the meaning of Part 5 of the Corporation Tax Act 2010
- 7.2.9 Tax Residence.** Do any act or thing, the effect of which would be to make the Issuer resident for tax purposes in any jurisdiction other than the United Kingdom
- 7.2.10 Waiver or Consent.**
  - (i) permit any of the Transaction Documents or the Inter-Company Loans to which it is a party to become invalid or ineffective or the priority of the Security created thereby to be reduced, amended, terminated or discharged,
  - (ii) consent to any variation or novation or assignment of, or exercise any powers of consent or waiver pursuant to, the terms of any of the Transaction Documents or the Inter-Company Loans or the Debenture to which it is a party, or
  - (iii) permit any party to any of the Transaction Documents or the Inter-Company Loans to which it is a party, or any other person whose obligations form part of the Secured Property, to be released from its respective obligations
- 7.2.11 IECE Shares and P-Shares** (A) create or permit to subsist or have outstanding any Security Interest or any Quasi Security upon the whole or any part of any IECE Shares that it owns, or any interest therein or any income or profits therefrom, or (ii) dispose of any IECE Shares, in each case whether such IECE Shares are owned on the Issue Date or acquired after that date, and (B) create or permit to subsist or have outstanding any Security Interest or any Quasi Security upon the whole or any part of any P-Shares that it owns, or any interest therein or any income or

profits therefrom, whether such P-Shares are owned on the Issue Date or acquired after that date

**7.2.12 Shareholder Loan** Make any payments under or in respect of the Shareholder Loan

**7.3 Positive Covenants** So long as any Secured Liabilities are outstanding, each Chargor covenants and undertakes with the Trustee (on behalf of the Secured Creditors) that it shall

**7.3.1 Conduct:** At all times carry on and conduct its affairs in a proper and efficient manner and in accordance with its constitutive documents and all laws and regulations applicable to it

**7.3.2 Books of Account** Keep proper books of account and, at any time after an Event of Default or Potential Event of Default has occurred or if the Trustee believes that such an event has occurred, so far as permitted by applicable law, allow the Trustee and anyone appointed by it access to its books of account at all reasonable times during normal business hours

**7.3.3 Notice of Events of Default:** Notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default

**7.3.4 Information:** So far as permitted by applicable law, give the Trustee such information as it reasonably requires to perform its functions

**7.3.5 Financial Statements etc.** Send directly to the Trustee and at the same time procure publication on the Group's website, as soon as practicable upon the issue or publication thereof, but

(i) in any event within four months of the Issuer's and Wasps Holdings' respective financial year-end dates, copies of their respective audited annual consolidated or unconsolidated (in the case of the Issuer) financial statements for such financial year, prepared and presented in accordance with IFRS, consistently applied, together with the report thereon by the respective independent auditors, and

(ii) in any event within two months of the end of each first half of the financial year of the Issuer and Wasps Holdings respectively, copies of their respective semi-annual consolidated or unconsolidated (in the case of the Issuer) financial statements for such period, prepared and presented in accordance with IFRS, consistently applied,

in each case certified by two directors of the Issuer or Wasps Holdings, as the case may be, in a form substantially as set out at Schedule 4 (*Form of Directors' Certificate*) to the Trust Deed, as presenting fairly the financial position of the Issuer or the Group, as the case may be, as at the relevant date, and the results of operations and changes in financial position for the relevant period, then ended

**7.3.6 Certificate from the Issuer and Guarantors:** (i) send to the Trustee, within 14 days of Wasps Holdings' annual audited financial statements being made available to its members, and also within 14 days of any request in writing by the Trustee a certificate (substantially in the form set out at Schedule 4 (*Form of Director's Certificate*) to the Trust Deed) signed by the Issuer and each Guarantor, signed by

any two of their respective directors that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer and relevant Guarantor, as the case may be, as at a date (the "**Certification Date**") not more than seven days before the date of the certificate, no Event of Default or Potential Event of Default had occurred since the Certification Date of the last such certificate or (if none) the date of this Security Deed or, if such an event had occurred, giving details of it and (ii) concurrently with the delivery of each of the annual and semi-annual Consolidated Financial Statements referred to in Clause 7.3.5 above, send to the Trustee a certificate signed by two directors of each of the Guarantors confirming compliance with the covenants contained in Condition 4 (including, but not limited to, those in Condition 4(e) and 4(h)) as at the most recent Valuation Date and the most recent Reporting Date, as the case may be

- 7.3.7 Further Acts** So far as permitted by applicable law, do such further things as may be necessary in the opinion of the Trustee to give effect to this Security Deed
- 7.3.8 Compliance with Transaction Documents.** Comply with all provisions of this Security Deed and comply, and use its reasonable endeavours to procure that each of the other parties thereto complies, with its respective obligations under each of the other Transaction Documents and the Inter-Company Loans to which the Issuer and/or any Chargor is a party
- 7.3.9 Taxes.** In the case of the Issuer, at all times use its best efforts to minimise taxes and any other costs arising in connection with its activities
- 7.3.10 Legal Opinions** Prior to making any modification to this Security Deed or any other Transaction Document, procure delivery of legal opinions in form and substance satisfactory to, and addressed to, the Trustee upon request by it
- 7.3.11 Centre of Main Interests** In the case of the Issuer, conduct its business and affairs such that, at all times, (i) its "centre of main interests", as that term is used in Article 3(1) of the EU Insolvency Regulation, is in England and Wales and (ii) it has no "establishment", as that term is used in Article 2(h) of the EU Insolvency Regulation, or branch office other than in England and Wales
- 7.3.12 Registration of Security.** Promptly but in any event within 21 days of the date hereof, deliver to the registrar of companies a duly completed Form MR01 together with a certified copy of this Security Deed (together with any applicable fee) and procure registration in accordance with Section 859A of the Companies Act 2006

## **8 The Arena**

- 8.1 Documents of title relating to the Arena** ACL and ACL2006 shall, on the date of this Security Deed, deposit all deeds and documents of title relating to the Arena (the "**Documents**") with the Property Legal Advisor, who shall hold such Documents at the direction of the Trustee (or in such other manner as the Trustee shall direct). The Trustee is entitled to hold and retain all such Documents until all the Secured Liabilities are irrevocably discharged to the Trustee's satisfaction

### **8.2 Land Registry**

- 8.2.1** Each of ACL and ACL2006 undertakes to submit (or procure that there is submitted) to the Land Registry in respect of their respective interests in the Arena (with The Council of the City of Coventry's, ACL's and ACL2006's consent)

- (i) a duly completed Form RX1 requesting a restriction in the following terms on the relevant register of title

*"No disposition of the registered estate (other than a lease for a term expiring less than 21 years after the disposition) 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 completed by registration without a written consent signed by the proprietor for the time being of the charge dated 13 May 2015 in favour of U S Bank Trustees Limited (referred to in the charges register or their conveyancer)",*

- (ii) a duly completed Form CH2 in order to enter an obligation to make further advances on the relevant register of title,
- (iii) a duly completed Form AP1 in order to register the first legal mortgage created by Clause 2 1 and notice of all other Security, and
- (iv) a certified copy of the first legal mortgage created by Clause 2 1

**8 2 2** ACL and ACL2006 each undertake to certify to the Land Registry that the Security does not contravene any of the respective provisions of their memorandums and/or articles of association and/or other constitutive documents of either of them

### **8.3 Other undertakings**

**8 3 1** Each of ACL and ACL2006 shall

- (i) keep the Arena in good and substantial repair and condition and adequately paint and decorate the Arena (fair wear and tear excepted),
- (ii) perform and observe in all material respects all the covenants, conditions and stipulations (whether as landlord or tenant) in any lease, agreement for lease or other right to occupy in respect of the Arena, and shall not do or permit to subsist any act or thing as a result of which any such lease, agreement for lease or other right to occupy may be subject to determination or right of re-entry or forfeiture prior to the expiration of its term, and
- (iii) comply with all material planning laws and regulations and the terms of any authorisation in respect of any such planning laws and regulations, in each case relating to the Arena

**8 3 2** Each of ACL and ACL2006 shall, within 14 days of receipt of any application, requirement, order or notice served or given by any public or local or any other authority with respect to all or any part of the Arena which would be reasonably likely to have a materially adverse effect on its value, saleability or use, deliver a copy to the Trustee and inform the Trustee in writing of the steps taken or proposed to be taken to comply with the requirements of that notice

**8 3 3** On and after the occurrence of a Potential Event of Default or an Event of Default that is continuing, each of ACL and ACL2006 shall

- (i) grant the Trustee and its lawyers on demand all facilities within the power of ACL and ACL2006 to carry out investigations of title in respect of the Arena and to make such enquiries in relation to the Arena as a prudent mortgagee might carry out, and

- (ii) as soon as practicable following a request of the Trustee, supply a report as to the title of ACL and ACL2006 in respect of the Arena in relation to those matters which may properly be sought to be covered by a prudent mortgagee in a report of that nature

**8.3.4** If ACL and/or ACL2006 fail to comply with any of the agreements and undertakings in this Clause 8.3, the Trustee (and its appointees and contractors) shall be entitled to do such things as it considers are necessary or desirable to remedy such failure. ACL and ACL2006 shall immediately, on demand by the Trustee, pay the costs and expenses of the Trustee (and its agents and contractors) incurred or to be incurred (together with any interest at the Default Rate for the period from and including the date incurred up to and excluding the date reimbursed) in connection with any action taken under this Clause 8.3

## **9 Bank Accounts**

**9.1 Notices:** The Issuer shall, no later than the date of this Security Deed or, in relation to any account opened after the date of this Security Deed as a replacement for the Interest Service Reserve Account, no later than five Business Days after the date of opening of such account, give notice to the Account Bank substantially in the form set out in the Schedule hereto and shall procure that the Account Bank promptly delivers to the Trustee a duly completed acknowledgement of such notice

**9.2 Other undertakings** Subject as permitted pursuant to the Trust Deed or otherwise with the prior written consent of the Trustee, the Issuer shall not be entitled to receive, withdraw or otherwise transfer any credit balance on the Interest Service Reserve Account, save that, so long as no Potential Event of Default or Event of Default has occurred and is continuing, the Issuer shall be entitled, from time to time, to withdraw moneys from the Interest Service Account to invest in Approved Investments to be held by the Issuer, provided that the proceeds of any sale, redemption or other disposition of any Approved Investment are credited to the Interest Service Reserve Account. If any amount is withdrawn from the Interest Service Reserve Account and/or any Approved Investment is sold, redeemed or disposed of as permitted by this Clause 9.2, that amount, or Approved Investment, as the case may be, shall be deemed to be released from the fixed charge over that amount or the Approved Investment, as the case may be, for such purpose, in each case referred to in Clause 2 on that withdrawal or sale, redemption or disposition, as the case may be. In addition, the Issuer shall ensure that all income, principal or other amounts received from any Approved Investments are immediately paid and credited to the Interest Service Reserve Account

**9.3 P-Shares Secured Account** If, at any time while any Bond or Coupon remains outstanding, any P-Shares become eligible to be acquired by a third party, or if the directors of Wasps Holdings believe that any of its P-Shares are reasonably likely to become acquired by a third party, Wasps Holdings shall promptly open a designated sterling cash account with the Account Bank (the "**P-Shares Secured Account**") Immediately upon the sale of any P-Shares, all proceeds arising from the sale shall be paid into the P-Shares Secured Account and Wasps Holdings shall ensure that the P-Shares Secured Account and all such proceeds are secured in favour of the Trustee, for and on behalf of itself and the other Secured Creditors, by way of first fixed charge, forming part of the Secured Property, for so long as any Bond or Coupon remains outstanding

Withdrawals from the P-Shares Secured Account shall not be permitted without the prior written consent of the Trustee

**9.4 Exercise of rights on Potential Event of Default or Event of Default:** On and after the occurrence of a Potential Event of Default or an Event of Default that is continuing

**9.4.1** the Issuer shall not be entitled to receive, withdraw or otherwise transfer any amount on the Interest Service Reserve Account (nor, for the avoidance of doubt, from the P-Shares Secured Account) except with the prior written consent of the Trustee, and

**9.4.2** the Trustee shall be entitled without notice to withdraw, apply, transfer or set off any or all of the credit balances from time to time on the Interest Service Reserve Account and/or the P-Shares Secured Account in or towards payment or other satisfaction of all or any part of the Secured Liabilities in accordance with Clause 16

**10 Approved Investments**

**10.1 Documents of title relating to Approved Investments** The Issuer shall upon acquiring any Approved Investments, deliver to the Trustee

**10.1.1** all documents of title relating to such Approved Investments, and

**10.1.2** all documents that the Trustee may request in respect of such Approved Investments (including declarations of trust in relation to any Approved Investments in which the Issuer has an interest that are not held in its sole name)

**10.2 Undertakings in relation to the Approved Investments**

**10.2.1** Prior to the occurrence of a Potential Event of Default or an Event of Default, the Issuer shall be entitled to receive and retain all income or distributions paid or payable in relation to its Approved Investments in accordance with Clause 9.2

**10.2.2** The Issuer shall not nominate any Person, other than the Trustee (or its nominee), to enjoy or exercise any right (including any Related Rights) relating to any of the Approved Investments, whether pursuant to Part 9 of the Companies Act 2006 or otherwise

**10.2.3** At any time when any Approved Investments of the Issuer have been registered in the name of the Trustee (or its nominee) (it being acknowledged that the Issuer has no intention to make any such registration), the Trustee (or its nominee) will not be under any duty to ensure that any moneys payable in respect of such Approved Investments are duly and promptly paid or received by it (or its nominee), or to verify that the correct amounts are paid or received by it (or its nominee), or to take any action in connection with the taking up of any (or any offer of any) rights, moneys or other property paid, distributed, accruing or offered at any time by way of interest, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of such Approved Investments or liability in respect thereof

**10.2.4** The Issuer shall at all times forward to the Trustee all material notices, correspondence and other communication it receives in relation to any Approved Investments

**10.3 Clearance systems:** The Issuer shall, if so requested by the Trustee

10.3.1 instruct, or request its nominee or custodian to instruct, any clearance system (including, without limitation, CREST) to transfer any Approved Investment held by it or its nominee or custodian for the Issuer to an account of the Trustee or its nominee with that clearance system, and

10.3.2 take whatever action the Trustee may request for the dematerialisation or rematerialisation of any Approved Investments held in a clearance system

**10.4 Custodian arrangements.** The Issuer shall

10.4.1 promptly give notice of this Security Deed to any custodian of any Approved Investment in any form which the Trustee may require, and

10.4.2 use all reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Trustee may require

**11 Enforcement of Security**

**11.1 Timing and manner of enforcement**

11.1.1 The Security shall become enforceable and the powers referred to in Clause 11.2 shall become exercisable upon the delivery of an Acceleration Notice by the Trustee, provided that the Trustee may at all times take such action in respect of any right, power or discretion which is personal to the Trustee or is to preserve or protect the Trustee's position or is of a purely administrative nature

11.1.2 Without prejudice to any specific provision contained in this Security Deed, immediately after the Security has become enforceable, as provided in Clause 11.1.1, the Trustee may, in its absolute discretion (subject to the other provisions of this Security Deed), enforce all or any part of the Security (or else appoint a Receiver to do so) in any manner it sees fit or as may be requested or directed by the Bondholders in accordance with the provisions of the Trust Deed, provided that, the Trustee shall have no obligation to take any such enforcement action unless and until it shall have been indemnified and/or secured and/or prefunded to its satisfaction, in respect of all costs, claims, expenses and liabilities to or for which it may, in its opinion, thereby become liable

11.1.3 Each Chargor agrees that damages as a remedy in the event of breach by it of any term of this Security Deed shall be an insufficient remedy for the Secured Creditors, and that the Trustee shall be permitted and is hereby authorised on behalf of the Secured Creditors to seek specific performance and injunctive relief to the full extent available under English law

**11.2 General**

11.2.1 The Secured Liabilities shall be deemed to have become due and payable on the date of this Security Deed for the purposes of section 101 of the Law of Property Act 1925. The power of sale, of appointing a receiver and other powers conferred by section 101 of the Law of Property Act 1925 (as varied and extended by this Security Deed) and all other powers conferred on a mortgagee by law shall be deemed to arise on the date of this Security Deed but shall only become enforceable in accordance with Clause 11.1 (*Timing and manner of enforcement*) above

11.2.2 Section 103 of the Law of Property Act 1925 shall not apply to this Security Deed

**11.3 Exercise of powers** All or any of the powers conferred on mortgagees by the Law of Property Act 1925, as varied or extended by this Security Deed, and all or any of the rights and powers conferred by this Security Deed on a Receiver (whether express or implied) may be exercised by the Trustee without further notice to any Chargor at any time after an Acceleration Notice has been delivered by the Trustee, irrespective of whether the Trustee has taken possession of the Secured Property or appointed a Receiver

**11.4 Protection of third parties**

**11.4.1** No Person (including a purchaser) dealing with the Trustee or a Receiver or any of its respective agents will be concerned to enquire

- (i) whether the Secured Liabilities have become payable,
- (ii) whether any power which the Trustee or that Receiver may purport to exercise has become exercisable or is being properly exercised,
- (iii) whether any amount remains due under the Transaction Documents or any of them, or
- (iv) how any money paid to the Trustee or to that Receiver is to be applied

**11.4.2** The receipt of the Trustee or any Receiver of any moneys paid to the Trustee or any Receiver by any Person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any Person dealing with the Trustee or that Receiver of any obligation to see to the application of any moneys paid to or by the direction of the Trustee or any Receiver

**11.4.3** In Clause 11.4.1 and Clause 11.4.2, "purchaser" includes any Person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Secured Property

**11.5 No liability as mortgagee in possession.** Neither the Trustee nor any Receiver will be liable by reason of entering into possession of any Secured Property

**11.5.1** to account as mortgagee in possession for any loss on realisation in respect of any such Secured Property, or

**11.5.2** for any default or omission for which a mortgagee in possession might be liable

**11.6 Powers Additional to the Law of Property Act 1925:** The powers conferred by this Security Deed in relation to the Secured Property on the Trustee or on any Receiver shall be in addition to those conferred on any mortgagees or receivers under the Law of Property Act 1925. If there is any ambiguity or conflict between the powers contained in the Law of Property Act 1925 and those conferred by this Security Deed, the terms of this Security Deed shall prevail. In particular

**11.6.1** the statutory powers of leasing conferred on the Trustee are extended so as to authorise the Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustee may think fit and without the need to comply with any provision of Section 99 or Section 100 of the Law of Property Act 1925, and

**11.6.2** the provisions of the Law of Property Act 1925 relating to the power of sale and the other powers conferred by Section 101(1) and (2) of the 1925 Act are hereby extended in relation to each Chargor (as if such extensions were contained therein)

to authorise the Trustee at its absolute discretion at any time following the Security having become enforceable and subject to the Trustee being satisfied as to the indemnification and/or security and/or prefunding available to it in relation to the exercise of such powers

- (i) to make demand in the name of the Secured Creditors or in its own right for any moneys and liabilities in respect of the Secured Property,
- (ii) to sell each Chargor's title to or interest in the Secured Property, and to do so for any shares, debentures or other securities whatsoever, or in consideration of an agreement to pay all or part of the purchase price at a later date or dates, or an agreement to make periodical payments, whether or not such agreement is secured or guaranteed, or for such other consideration whatsoever as the Trustee may think fit, and also to grant any option to purchase, and to effect exchanges of, any of the Secured Property,
- (iii) with a view to or in connection with the sale of the Secured Property, to carry out any transaction, scheme or arrangement which the Trustee may, in its absolute discretion, consider appropriate,
- (iv) to insure the Secured Property against such risks and for such amounts as the Trustee may decide, and
- (v) to do all or any of the things or exercise all or any of the powers which are mentioned or referred to in Clause 12.5 as if each of them was expressly conferred on the Trustee by this Security Deed and which may not be included in the preceding paragraphs

**11.7 Delegation to Receiver.** In addition and without prejudice to any of its statutory powers, the Trustee may, at any time by deed, delegate to the Receiver all or any of the extended powers of leasing, surrendering or accepting surrenders of leases conferred on the Trustee by this Security Deed

**11.8 Insurance.** The Trustee shall have the power to insure against any liabilities or obligations arising

11.8.1 as a result of the Trustee acting or failing to act in a certain way (other than which may arise from its fraud),

11.8.2 as a result of any act or failure to act by any person or persons to whom the Trustee has delegated any of its trusts, rights, powers, duties, authorities or discretions, or appointed as its agent,

11.8.3 in connection with the Secured Property, or

11.8.4 in connection with or arising from the enforcement of the Security

The Trustee shall not be under any obligation to insure in respect of such liabilities and/or obligations or to require any other person to maintain or monitor the adequacy of any such insurance and the Trustee shall not be responsible for any liability or inconvenience suffered by any person as a result of the lack of or inadequacy of any such insurance. However, to the extent that the Trustee does so insure, the Issuer (failing which the Guarantors) shall quarterly and on written request pay all insurance premiums and expenses which the Trustee may incur in relation to such insurance

**11.9 Application to the Court:** The Trustee may, at any time after the Security becoming enforceable, apply to the court for an order that the powers and trusts of this Security Deed be exercised or carried into execution under the direction of the court and for the appointment of a Receiver of the Secured Property or any part thereof and for any other order in relation to the execution and administration of the powers and trusts hereof as the Trustee shall deem expedient, and it may assent to or approve any application to the court made at the instance of any of the Bondholders and/or the other Secured Creditors

**11.10 Eligible Investments** Moneys held by the Trustee under the trusts of this Security Deed may be invested in its name or under its control in any Approved Investments and the Trustee may at any time vary or transfer any of such Approved Investments for or into any other Approved Investments as the Trustee at its absolute discretion may determine, and will not be responsible for any resulting loss whether by depreciation in value, change in exchange rates or otherwise. If a bank or institution with which any monies placed on deposit in accordance with this Clause is the Trustee or an affiliate of the Trustee, the Trustee need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer

**11.11 Deficiency or Additional Payment** The Trustee shall have no responsibility whatsoever to any Secured Creditor as regards any deficiency or additional payment, as the case may be, which might arise because the Trustee is subject to any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties in respect of the Secured Property or any part thereof or any income therefrom or any proceeds thereof or is required to make any withholding or deduction from any payment to any Secured Creditor

**11.12 Voting Rights** The Trustee need not exercise any voting or other such rights (including the exercise of options) it may have over or in respect of the Secured Property comprised in the Security unless directed by an Extraordinary Resolution of the Bondholders and unless indemnified and/or secured and/or pre-funded to its satisfaction.

**11.13 Validity of Security** The Trustee assumes no responsibility for the validity, sufficiency or enforceability (which the Trustee has not investigated) of the Security purported to be created by this Security Deed or any other Transaction Document. In addition, the Trustee has no duty to monitor the performance by the Issuer, the Guarantors, ACL 2006 or the Agents or the Account Bank of their obligations under the Transaction Documents nor is it obliged (unless indemnified and/or secured and/or prefunded to its satisfaction) to take any other action which may involve the Trustee in any personal liability or expense

**11.14 Title of the Issuer to Secured Property.** The Trustee shall accept without investigation, requisition or objection such right and title as the Issuer, the Guarantors and/or ACL 2006 has to any of the Secured Property and need not examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Secured Property or any part of it

## **12 Receiver**

### **12.1 Appointment of Receivers**

**12.1.1** The Trustee may (without notice), by deed or otherwise in writing signed by any officer or manager of the Trustee or any Person authorised for this purpose by the Trustee, appoint one or more Persons to be a Receiver

- (i) if requested by a Chargor, or
  - (i) upon delivery of an Acceleration Notice by the Trustee (whether or not the Trustee has taken possession of any Secured Property)
- 12.1.2 If the Trustee appoints more than one Person as Receiver, the Trustee may give those Persons power to act either jointly or severally
- 12.1.3 Any Receiver may be appointed Receiver of all of the Secured Property or Receiver of a part of the Secured Property specified in the appointment. In the case of an appointment of a part of the Secured Property, the powers conferred on a Receiver as set out in Clause 12.5 shall have effect as though every reference in Clause 12.5 to any Secured Property were a reference to the part of those assets so specified or any part of those assets
- 12.2 **Removal of Receivers.** Except as otherwise required by statute, the Trustee may, by notice in writing, remove any Receiver appointed by it whenever it thinks fit in its absolute discretion and appoint a new Receiver instead of any Receiver whose appointment has terminated for any reason
- 12.3 **Agent of Chargor.** Any Receiver shall be the agent of each Chargor for all purposes and, accordingly, will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. 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. No Secured Creditor will incur any liability (either to a Chargor or any other Person) by reason of the appointment of a Receiver or for any other reason, including on account of any act, omission, default or negligence of the Receiver
- 12.4 **Remuneration.** The Trustee may determine the remuneration of any Receiver and direct payment of that remuneration out of moneys it receives as Receiver. The Chargors alone shall be liable for the remuneration and other costs, liabilities and expenses of any Receiver
- 12.5 **Powers of Receivers.** Any Receiver appointed by the Trustee shall have the following rights, powers and discretions (in addition to those conferred by statute or common law)
  - 12.5.1 to take immediate possession of, get in and collect any Secured Property and to require payment to it or to the Trustee of any Monetary Claims or credit balance on the Interest Service Reserve Account and/or the P-Shares Secured Account and/or any other bank account of a Chargor,
  - 12.5.2 to enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which any Chargor is party in relation to any Secured Property,
  - 12.5.3 to appoint and discharge any employees, managers, officers, agents, accountants, servants, workmen, advisers and others for the purposes of this Security Deed and in relation to any Secured Property upon such terms as to remuneration or otherwise as he thinks fit and to discharge any Person appointed by any Chargor,
  - 12.5.4 to raise and borrow money either unsecured or on the security of any Secured Property either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit,

- 12 5 5 to sell, exchange, convert into money and realise any Secured Property by public auction or private contract and generally in any manner, and on any terms which he thinks fit and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period),
- 12 5 6 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 Secured Property,
- 12 5 7 to bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Secured Property which he thinks fit,
- 12 5 8 to give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Secured Property,
- 12 5 9 to form a Subsidiary of any Chargor and transfer to that Subsidiary any Secured Property,
- 12 5 10 to delegate his powers in accordance with this Security Deed,
- 12 5 11 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 Secured Property, in each case as he thinks fit,
- 12 5 12 to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he may think fit) any assets which he considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Secured Property,
- 12 5 13 to exercise in relation to any Secured Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Secured Property,
- 12 5 14 to make any payment and incur any expenditure which the Trustee is, by this Security Deed, expressly or impliedly authorised to make or incur,
- 12 5 15 to do all other acts and things which he may consider desirable or necessary for realising any Secured Property, or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Security Deed or law,
- 12 5 16 to carry on, manage, concur in or authorise the management of, or appoint a manager of, the whole or any part of the business of the Issuer or any other Chargor,
- 12 5 17 to sell or concur in selling the whole or any part of the Issuer or any other Chargor's business, whether as a going concern or otherwise,
- 12 5 18 to call up, or require the directors of the Issuer or any other Chargor to call up, all or any portion of the uncalled capital for the time being of any Chargor, as the case may be, and to enforce payment of any call by action (in the name of any Chargor or the Receiver as it may think fit),
- 12 5 19 to exercise any powers, authorities, discretions, voting, conversion or other rights or entitlements in relation to any of the Secured Property which it would be capable of exercising if it were solely and absolutely entitled to the Secured Property or

which are incidental to the ownership of or rights in or to any of the Secured Property,

12.5.20 to exercise all powers as are described in Schedule 1 to the Insolvency Act, whether or not the Receiver is an "administrative receiver" as defined in the Insolvency Act,

12.5.21 to pay and discharge out of the profits and income of the relevant Secured Property and the moneys to be made by it in carrying on the business of the Issuer and/or any other Chargor the expenses incurred in and about the carrying on and management of the business or in the exercise of any of the powers conferred by this Clause 12.5 or otherwise in respect of such Secured Property and all outgoings which it shall think fit to pay and to apply the residue of the said profits, income or moneys in accordance with Clause 16, and

12.5.22 to use the name of any Chargor for any of the purposes set out in this Clause 12.5

### **13 Delegation**

13.1 Any Receiver may delegate, by power of attorney or in any other manner, to any Person any right, power or discretion exercisable by it under this Security Deed. Any such delegation may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Receiver may think fit.

13.2 No Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate.

13.3 References in this Security Deed to the Trustee or a Receiver shall be deemed to include references to any delegate of the Trustee or Receiver appointed in accordance with this Clause 13 or, as the case may be, Clause 9.17 (*Responsibility for agents etc*) of the Trust Deed.

### **14 Preservation of Security**

#### **14.1 Reinstatement**

14.1.1 If any payment by a Chargor or any discharge or release given by a Secured Creditor (whether in respect of the obligations of any Person or any security 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 shall continue as if the payment, discharge, release, avoidance or reduction had not occurred, and
- (ii) the relevant Secured Creditor shall be entitled to recover the value or amount of that security or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

14.1.2 The Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

**14.2 Waiver of defences:** None of the obligations of any Chargor under this Security Deed or any Security will be affected by any act, omission, matter or thing (whether or not known to any Chargor or any Secured Creditor) which, but for this provision, would reduce, release, prejudice or provide a defence to any of those obligations including

**14.2.1** any time, waiver, release or consent granted to, or composition with, any Chargor or any other Person,

**14.2.2** the release of any Chargor or any other Person under the terms of any composition or arrangement with any creditor of any member of the Group or any other Person,

**14.2.3** 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 the assets of, any Chargor or any 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 such rights or security,

**14.2.4** any incapacity or lack of power, authority or legal personality of, or dissolution or change in the members or status of, any Chargor or any other Person,

**14.2.5** any amendment (however fundamental) or replacement of a Transaction Document or any other document or security,

**14.2.6** any unenforceability, illegality or invalidity of any obligation of any Person under any Transaction Document or any other document or security, or

**14.2.7** any insolvency or similar proceedings

**14.3 Immediate recourse:** Each Chargor waives any right it may have of first requiring any Secured Creditor (or any trustee, Receiver 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 Security Deed. This waiver applies irrespective of any law or any provision of a Transaction Document to the contrary.

**14.4 Appropriations** On and after the occurrence of an Event of Default and until all the Secured Liabilities have been irrevocably paid in full, each Secured Creditor (or any trustee or agent on its behalf) may

**14.4.1** refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and no Chargor shall be entitled to the benefit of the same, and

**14.4.2** hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Security Deed

**14.5 Deferral of Chargors' rights**

**14.5.1** Until all the Secured Liabilities have been irrevocably paid in full and unless the Trustee otherwise directs, no Chargor will exercise any right which it may have by reason of performance (or a claim for performance) by it of its obligations under the Transaction Documents or enforcement of Security over its Secured Property

(i) to be indemnified by any other Chargor,

- (ii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Creditors under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by any Secured Creditor,
- (iii) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which the relevant Chargor has given a guarantee, undertaking or indemnity under the Transaction Documents,
- (iv) to exercise any right of set-off against any Chargor,
- (v) to exercise any right of quasi-retainer or other analogous equitable right, and/or
- (vi) to claim or prove as a creditor of any Chargor in competition with the Secured Creditors

**14.5.2** If any Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Creditors by a Chargor under or in connection with the Transaction Documents to be repaid in full on trust for the Secured Creditors and shall promptly pay or transfer the same to the Trustee or as the Trustee may direct

**14.6 Security held by Chargor:** No Chargor shall, without the prior written consent of the Trustee, hold or otherwise take the benefit of any Security Interest from any other Chargor in respect of that Chargor's liability under this Security Deed or the other Transaction Documents. Each Chargor will hold any security and the proceeds thereof held by it in breach of this provision on trust for the Trustee

**14.7 Additional security/non-merger:** The Security is in addition to and shall not be merged into or in any way excluded or prejudiced by any other security now or hereafter held by or on behalf of any Secured Creditor in respect of the Secured Liabilities or any other amount due by any Chargor to any Secured Creditor

**14.8 Power of consolidation:** Section 93 of the Law of Property Act 1925 shall not apply to this Security Deed or to the Security

**14.9 Dealings with the Trustee or any Receiver.** No one dealing with the Trustee or any Receiver need enquire whether any of the powers, authorities and discretions conferred by or pursuant to this Security Deed in relation to the Secured Property are or may be exercisable by the Trustee or such Receiver, or as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers. The protection to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 shall apply to anyone dealing with the Trustee or such Receiver as if the statutory powers of sale and of appointing a receiver in relation to the Secured Property had not been varied or extended by this Security Deed

**14.10 Stamp duty.** Each Chargor shall pay any stamp, issue, documentary or other similar taxes and duties, including interest and penalties, payable in the United Kingdom in respect of the creation of the Security and the execution, delivery or performance of this Security Deed. Each Chargor will also indemnify the Trustee on an after tax basis from and against all stamp, issue, documentary or other similar taxes paid by the Trustee or any Receiver in

any jurisdiction in connection with any action taken by or on behalf of the Trustee or any Receiver to enforce such Chargor's obligations under this Security Deed and/or the other Transaction Documents

**14.11 Perfection:** Each Chargor shall (at its own cost) promptly do whatever the Trustee requires to perfect or protect the Security or the priority of the Security or to facilitate the realisation of any Secured Property or the exercise of any rights vested in the Trustee or any Receiver, including executing any transfer, conveyance, charge, assignment or assurance of any Secured Property (whether to the Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction

**14.12 No Merger.** The Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, any other Security Interest, right of recourse, set-off or other right whatsoever which the Trustee or any Secured Creditor may, now or at any time hereafter, hold or have (or would, apart from this Security Deed or any Security Interest created pursuant to this Security Deed, hold or have) as regards each Chargor or any other Person in respect of the Secured Liabilities, and neither the Trustee nor any Secured Creditor shall be under any obligation to take any steps to call in or to enforce any such Security Interest, right of recourse, set-off or other right, and shall not be liable to any Chargor for any loss arising from any omission on the part of the Trustee or any Secured Creditor to take any such steps or for the manner in which the Trustee or any Secured Creditor shall enforce or refrain from enforcing any such Security Interest, right of recourse, set-off or other right

**14.13 Ruling Off.** If the Trustee receives notice of (i) any Security Interest affecting the Secured Property in contravention of the provisions hereof or (ii) the presentation of a petition or the passing of a resolution in relation to the winding-up of a Chargor

14.13.1 the Trustee may open a new account in respect of such Chargor and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice, and

14.13.2 all payments made by such Chargor to the Trustee after the Trustee receives such notice shall be credited or deemed to have been credited to the new account, and in no circumstances whatsoever shall such payments operate to reduce the Secured Liabilities as at the time the Trustee received such notice

**14.14 Change of Name:** This Security Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of the Trustee or a Chargor or any amalgamation or consolidation by the Trustee or a Chargor with any other corporation (whether, in the case of a Chargor, permitted by the Transaction Documents or not)

**14.15 Retention of Security** If the Trustee has grounds for believing that a Chargor may be insolvent or deemed to be insolvent pursuant to the provisions of the Insolvency Act (and the production of a solvency certificate of a duly authorised officer of a Chargor will be *prima facie* evidence of the solvency of the Chargor) at the date of any payment made by the Chargor to the Trustee and that, as a result, such payment may be capable of being avoided or clawed back, the Trustee will be at liberty to retain the Security until the expiry of a period of one month plus such statutory period within which any assurance, security, guarantee or payment can be avoided or invalidated after the payment and discharge in full of all Secured Liabilities notwithstanding any release, settlement, discharge or arrangement which may be given or made by the Trustee on, or as a consequence of, such payment or discharge, provided that, if at any time within such period, a petition is presented to a competent court for an order for the winding up or the making of an

administration order, or documents are filed with the court for the appointment of an administrator, or formal notice is given of an intention to appoint an administrator in respect of a Chargor, or a Chargor commences being wound up or going into administration, or any analogous proceedings are commenced by or against a Chargor, the Trustee will be at liberty to continue to retain the Security for such further period as the Trustee may determine, and the Security shall be deemed to continue to have been held as security for the payment and discharge to the Trustee and the other Secured Creditors of all Secured Liabilities

**14.16 Set off:** The Trustee may, at any time following the Security becoming enforceable (without notice and notwithstanding any settlement of account or other matter whatsoever), combine or consolidate all or any existing accounts of the Chargors, whether in its own name or jointly with others and held by it or any Secured Creditor, and may set off or transfer all or any part of any credit balance or any sum standing to the credit of any such account (whether or not the same is due to the relevant Chargor from the Trustee or relevant Secured Creditor and whether or not the credit balance and the account in debit or the Secured Liabilities are expressed in the same currency, in which case, the Trustee is hereby authorised to effect any necessary conversions at the prevailing rates of exchange) in or towards satisfaction of any of the Secured Liabilities, and may, in its absolute discretion, estimate the amount of any liability of the Chargors which is contingent or unascertained, and thereafter set off such estimated amount, and no amount shall be payable by the Trustee to any Chargor unless and until all Secured Liabilities have been ascertained and fully repaid or discharged

**14.17 No Liability for Value of Secured Property:** The Trustee will not be liable for any decline in value, nor any loss realised upon any sale or other disposition pursuant to this Security Deed, of any of the Secured Property

## **15 Power of Attorney**

### **15.1 Appointment**

**15.1.1** Each Chargor by way of security irrevocably appoints the Trustee 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 thinks fit

- (i) prior to the occurrence of an Event of Default, to do anything which that Chargor is obliged to do under this Security Deed (but has not done),
- (ii) on and after the occurrence of an Event of Default, to do anything which that Chargor is obliged to do under this Security Deed, and
- (iii) to exercise any of the rights conferred on the Trustee or any Receiver in relation to the Secured Property or under any Transaction Document, the Law of Property Act 1925 or the Insolvency Act 1986

**15.1.2** The power of attorney conferred on the Trustee and each Receiver shall continue, notwithstanding the exercise by the Trustee of any right of appropriation

**15.2 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 15.1

## **16 Application of Proceeds**

### **16.1 Order of application**

16.1.1 All amounts received by the Trustee or any Receiver pursuant to this Security Deed or the powers conferred by it shall be applied in accordance with Clause 6 (*Application of Moneys Recovered by the Trustee*) of the Trust Deed

16.1.2 The order of application referred to in Clause 17.1.1 shall override any appropriation by any Chargor

**16.2 Receiver's receipts** Section 109(8) of the Law of Property Act 1925 shall not apply in relation to a Receiver appointed by the Trustee

## **17 Expenses and Indemnities**

Without prejudice to Clause 8 (*Remuneration and Indemnification of the Trustee*) of the Trust Deed, which shall apply to this Security Deed as if set out in full herein, the Issuer (failing which the Guarantors) will, on demand, pay and reimburse each Secured Creditor, Receiver, attorney, manager, agent or any other Person (including the officers of such Persons) appointed by the Trustee or a Receiver under this Security Deed, on the basis of a full indemnity, in respect of all costs and expenses (including legal fees and other out of pocket expenses and any value added tax or other similar tax thereon) properly incurred by such Person in connection with the holding, preservation or enforcement, or the attempted preservation or enforcement, of any of the Secured Creditors' rights under this Security Deed or the other Transaction Documents or otherwise in connection with the performance of this Security Deed or the other Transaction Documents or any documents required pursuant to this Security Deed and/or the other Transaction Documents, 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 such breach), and will keep each of those Persons indemnified against any failure or delay in paying those costs and expenses. Any such Person who is not a party to this Security Deed may rely on this Clause 17 and enforce its terms under the Contracts (Rights of Third Parties) Act 1999

## **18 Changes to Parties**

The Trustee may, at any time, assign or otherwise transfer all or any part of its rights under this Security Deed to any successor appointed in accordance with the Transaction Documents

## **19 Miscellaneous**

**19.1 Trustee's liability.** Neither the Trustee nor any Receiver shall (either by reason of taking possession of any Secured Property or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor or any other Person for any Liabilities relating to the realisation of any Secured Property or from any act, default, omission or misconduct of the Trustee or any Receiver or their respective officers, employees or agents in relation to any Secured Property or in connection with the Transaction Documents, except to the extent caused by its or his own gross negligence, wilful default or fraud

### **19.2 Failure to Execute**

19 2 1 Failure by one or more parties to execute this Security Deed (such parties being "Non-Signatories") on the date hereof will not invalidate the provisions of this Security Deed as between the other parties who do execute this Security Deed

19 2 2 Each Non-Signatory may execute this Security Deed on a subsequent date and will thereupon become bound by its provisions

## 20 Partial Invalidity

If any provision of this Security Deed is or becomes invalid, illegal or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability of the remaining provisions in that jurisdiction or of that provision in any other jurisdiction

## 21 Notices

Any communication shall be by letter, fax or electronic communication

in the case of the Issuer, to it at

Wasps Finance plc  
Twyford Avenue Sports Ground  
Twyford Avenue  
London W3 9QA

Fax no 0844 8736599  
Email david.armstrong@wasps.co.uk  
Attention David Armstrong

in the case of the Guarantors, to them at

Wasps Holdings Limited  
Twyford Avenue Sports Ground  
Twyford Avenue  
London W3 9QA

Fax no 0844 8736599  
Email david.armstrong@wasps.co.uk  
Attention David Armstrong

and

Arena Coventry Limited  
Arena  
Phoenix Way  
Foleshill  
Coventry CV6 6GE

Fax no 0844 8736599  
Email david.armstrong@wasps.co.uk  
Attention David Armstrong

in the case of ACL2006, to it at

Arena Coventry (2006) Limited  
Phoenix Way  
Foleshill

Arena  
Coventry CV6 6GE

Fax no 0844 8736599  
Email david.armstrong@wasps.co.uk  
Attention David Armstrong

and in the case of the Trustee, to it at

U S Bank Trustees Limited  
Fifth Floor  
125 Old Broad Street  
London EC2N 1AR

Fax no +44 207 365 2577  
Email mbs.relationship.management@usbank.com  
Attention MBS Relationship Management

Communications will take effect, in the case of a letter, when delivered, in the case of a fax, when the relevant delivery receipt is received by the sender or, in the case of an electronic communication when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication, provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Security Deed which is to be sent by fax or electronic communication will be written legal evidence.

## **22 Counterparts**

This Security Deed and any deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Security Deed or any deed supplemental hereto may enter into the same by executing and delivering a counterpart.

## **23 Contracts (Right of Third Parties) Act 1999**

A person who is not a party to this Security Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Security Deed except and to the extent that this Security Deed and/or the Trust Deed expressly provides for such Act to apply to any of its terms.

## **24 Governing Law and Jurisdiction**

**24.1 Governing Law** This Security Deed and any non-contractual obligation arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

**24.2 Jurisdiction** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Security Deed (including any non-contractual obligations arising out of or in connection with them) and accordingly any legal action or proceedings arising out of or in connection with this Security Deed ("**Proceedings**") may be brought in such courts. The Issuer, the Guarantors and ACL2006 irrevocably submit to

the jurisdiction of such courts and waive any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause is for the benefit of each of the Trustee and the Bondholders and shall not limit the right of any of them to take Proceedings against the Issuer, the Guarantors or ACL2006 in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not)

**THIS SECURITY DEED** has been executed and delivered as a deed on the date stated at its beginning

**Schedule**  
**Notice for Interest Service Reserve Account**

To ELAVON FINANCIAL SERVICES LIMITED, UK BRANCH

Copy U S BANK TRUSTEES LIMITED (as Trustee)

13 May 2015

Dear Sirs,

- 1 We hereby give you notice that we have charged by way of first fixed charge to U S Bank Trustees Limited (the "Trustee") on behalf of the Trustee and certain other secured creditors pursuant to a security deed dated 13 May 2015 in favour of the Trustee, all of our rights, title, interest and benefit in and to all sums of money which may, now or in the future, be held with you for our account in account number 732334-01, held with you (the "Interest Service Reserve Account"), together with all interest from time to time earned on such sums and the debts represented by such sums and interest
- 2 With effect from the date of your receipt of this notice
  - (a) all sums from time to time standing to the credit of the Interest Service Reserve Account should be held to the order of the Trustee, and
  - (b) such sums may only be paid or released in accordance with the prior written instructions of the Trustee at any time
- 3 You are authorised and instructed, without requiring further approval from us
  - (a) to pay all moneys received by you for the Interest Service Reserve Account to (and only to) the credit of the Interest Service Reserve Account, details as follows

**Instruction**

Intermediary  
Institution

Beneficiary Bank

Reference

IBAN

- (b) to promptly provide the Trustee with all information relating to the Interest Service Reserve Account as it may from time to time request, and
  - (c) to comply with the terms of any written notice or instructions in any way relating to the sums standing to the credit of the Interest Service Reserve Account from time to time which you receive at any time from the Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction
- 4 These instructions may not be revoked without the prior written consent of the Trustee
- 5 Please sign and return the enclosed copy of this notice to the Trustee (with a copy to us) to confirm (by way of undertaking in favour of the Trustee) that

- (a) you agree to the terms of this notice and to act in accordance with its provisions,
- (b) you have not received notice of the interest of any third party in the Interest Service Reserve Account, and
- (c) you have not and will not claim, exercise or enforce any security interest, right of set-off, counterclaim or similar right in respect of the Interest Service Reserve Account or the debts represented thereby by them

**6** We agree to indemnify you on demand and against any and all costs, losses and expenses suffered or incurred by you as a result of complying with the undertaking contained herein with which you are hereby instructed to comply, together with all other instructions which you may receive from the Trustee from time to time in relation to such undertakings

**7** This notice and any non-contractual obligation arising out of or in relation to this notice shall be governed by, and interpreted in accordance with, English law

Yours faithfully,

for and on behalf of  
**WASPS FINANCE PLC**

[On acknowledgement copy]

To **U.S. BANK TRUSTEES LIMITED** as Trustee  
Fifth Floor  
125 Old Broad Street  
London EC2N 1AR

Copy to **WASPS HOLDINGS LIMITED**  
**ARENA COVENTRY LIMITED**  
**ARENA COVENTRY (2006) LIMITED**

We acknowledge receipt of the above notice and agree to and confirm the matters set out in it

for and on behalf of  
**ELAVON FINANCIAL SERVICES LIMITED, UK BRANCH**

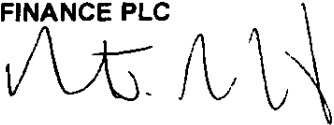
Date \_\_\_\_\_ 2015

THIS SECURITY DEED is executed and delivered on the date stated at the beginning

EXECUTED AS A DEED BY

WASPS FINANCE PLC

By



Name

David Armstrong

Director, acting on the authority of that company

In the presence of

Witness's signature



Name

SARAH CHISNALL

Position/Occupation

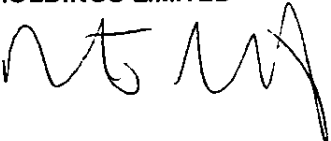
EXECUTIVE ASSISTANT

Address

9 MAIN ST  
CONGERSTONE  
NUNEATON

WASPS HOLDINGS LIMITED

By



Name

David Armstrong

Director, acting on the authority of that company

In the presence of

Witness's signature



Name

SARAH CHISNALL

Position/Occupation

EXECUTIVE ASSISTANT

Address

9 MAIN ST  
CONGERSTONE  
NUNEATON

**ARENA COVENTRY LIMITED**

By



Name

DAVID ARMSTRONG

Director, acting on the authority of that company

In the presence of

Witness's signature



Name

SARAH CHISNALL

Position/Occupation

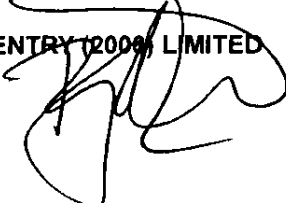
EXECUTIVE ASSISTANT

Address

9 MAIN ST  
CONGERSTONE  
NUNEATON

**ARENA COVENTRY (2000) LIMITED**

By



Name

NICK EASTWOOD

Director, acting on the authority of that company

In the presence of

Witness's signature



Name

SARAH CHISNALL

Position/Occupation

EXECUTIVE ASSISTANT

Address

9 MAIN ST  
CONGERSTONE  
NUNEATON.

ELAVON FINANCIAL SERVICES LIMITED, UK BRANCH

By

By  **LAURENCE GRIFFITHS**  
**Hamyd Mazrae** Authorised Signatory  
Authorised Signatory

As authorised signatories on behalf of Elavon Financial Services Limited, UK Branch in the presence of

Witness's signature



RICHARD ATKINSON

Name

Position/Occupation

Address

U.S. Bank Global Corporate Trust Services  
125 Old Broad Street  
London  
EC2N 1AR

U.S. BANK TRUSTEES LIMITED

By

By  **LAURENCE GRIFFITHS**  
**Hamyd Mazrae** Authorised Signatory  
Authorised Signatory

As authorised signatories on behalf of U S Bank Trustees Limited in the presence of

Witness's signature



RICHARD ATKINSON

Name

Position/Occupation

Address

U.S. Bank Global Corporate Trust Services  
125 Old Broad Street  
London  
EC2N 1AR