



**Registration of a Charge**

Company name: **SOUTHERN COMMUNICATIONS GROUP LIMITED**

Company number: **10053004**



X74173MG

Received for Electronic Filing: **17/04/2018**

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**Details of Charge**

Date of creation: **12/04/2018**

Charge code: **1005 3004 0002**

Persons entitled: **SANTANDER UK PLC AS TRUSTEE FOR ITSELF AND THE SECURED PARTIES (SECURITY TRUSTEE)**

Brief description: **NOT APPLICABLE.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**ADDLESHAW GODDARD LLP**



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

Company number: 10053004

Charge code: 1005 3004 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th April 2018 and created by SOUTHERN COMMUNICATIONS GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th April 2018 .

Given at Companies House, Cardiff on 19th April 2018

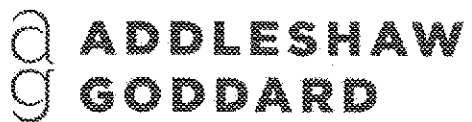
The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



Dated 12 April 2018

**SOUTHERN COMMUNICATIONS GROUP LIMITED**  
as the Parent

**THE PARENT AND THE SUBSIDIARIES OF THE PARENT LISTED IN**  
**SCHEDULE 1**  
as the Chargors

**SANTANDER UK PLC**  
as Security Trustee

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**DEBENTURE**

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This Deed is dated

12 April

2018

**Between:**

- (1) **Southern Communications Group Limited**, a company incorporated in England and Wales with registered number 10053004 whose registered address at 1 Park Row, Leeds, United Kingdom LSI 5A13 (**Parent**);
- (2) **The Subsidiaries of the Parent** listed in Schedule 1 (*The Chargors*) (together with the Parent, the **Chargors**); and
- (3) **Santander UK PLC** as trustee for itself and the Secured Parties on the terms and conditions set out in the Intercreditor Agreement (**Security Trustee** which shall include any person for the time being appointed as trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement).

**It is agreed**

**1 Definitions and interpretation**

**1.1 Definitions**

In this Deed:

**Account** means all accounts (including Controlled Accounts) and any credit balance from time to time on any account opened or maintained by any Charger with any bank, building society, financial institution or other person (and any replacement account or subdivision or subaccount of that account) and includes all Related Rights

**Administration Event** means:

- (a) the presentation of an application or petition to the court for the making of an administration order in relation to any Chargor or
- (b) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to any Chargor or files such a notice with the court

**Controlled Account** means any Mandatory Prepayment Account

**Charged Assets** means all of the assets and undertaking of each Charger, both present and future, which from time to time are the subject of any Security Interest created (or expressed or purported to be created) by it in favour of the Security Trustee by or pursuant to this Deed

**Debt Documents** has the meaning given to it in the Intercreditor Agreement

**Debtor** has the meaning given to it in the Intercreditor Agreement

**Delegate** means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Trustee or by a Receiver

**Enforcement Event** means the occurrence of a Declared Default

**Facilities Agreement** means the facilities agreement dated 11 May 2016 as amended and restated on or about the date of this Deed between, among others, the Parent as parent, Southern Communications Investments Limited as original borrower and guarantor, Santander

UK plc and HSBC Bank plc as arrangers, Santander UK plc as agent and Security Trustee, and the other parties listed therein

**Finance Document** has the meaning given to it in the Facilities Agreement

**Insurance Policy** means any contract or policy of insurance (including life insurance or assurance but excluding any policies in respect of third party liability or director's & officers insurance), including those policies specified in Schedule 5 (Insurance Policies) (if any), in which any Chargor may from time to time have an interest together with all amounts payable to such Chargor under or in connection with each of those policies and includes all Related Rights

**Intellectual Property** means, in relation to a Chargor all its right, title and interest from time to time in and to:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered and
- (b) the benefit of all applications and rights to use such assets of such Chargor,

including the intellectual property specified in Schedule 4 (*Intellectual Property*), and includes all Related Rights

**Intercreditor Agreement** means the intercreditor agreement dated 11 May 2016 between, among others, the Parent as a debtor, Santander UK plc and HSBC Bank plc as arrangers, Santander UK plc as agent and Security Trustee, and the other parties listed therein

**Intra-Group Loan** means any loan by any Chargor as lender to any other member of the Group as borrower

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

- (a) the Shares
- (b) all other shares, stocks, debentures, bonds, warrants, coupons, options, other securities and investments and rights to subscribe for other investments
- (c) all negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by that Chargor or by a trustee or clearance system or nominee,

in each case whether held directly by, or to the order of, that Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf, and includes all Related Rights (and including all rights against any such trustee, nominee, fiduciary or clearance system)

**Lease** means, in relation to any of the Material Real Property which is leasehold, the lease or leases, agreement for lease, tenancy or licence pursuant to, and in accordance with which, a Chargor holds such Material Real Property and any instrument supplemental to it or which is expressed to be collateral to it or entered into pursuant to or in accordance with its terms



**Liabilities** has the meaning given to it in the Intercreditor Agreement

**Material Intellectual Property** means, in relation to a Chargor:

- (a) all Intellectual Property described in Schedule 4 (Intellectual Property) and
- (b) all Intellectual Property that is material and/or necessary in the context of the business of the Group

**Material Real Property** means:

- (a) in relation to a Chargor, any freehold property located in England and Wales including, but not limited to, as specified in Schedule 2 (Material Real Property) (if any) in respect of which that Chargor has any right, title or interest
- (b) in relation to a Chargor, any leasehold property located in England and Wales in respect of which that Chargor has any right, title or interest and which has an unexpired term of at least 15 years

and includes any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property, and includes all Related Rights

**Permitted Security** has the meaning given to it in the Facilities Agreement

**Planning Acts** means all legislation from time to time regulating the development, use, safety and control of Material Real Property and highways including but not limited to the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Local Government, Planning and Land Act 1980, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any regulations made pursuant to any of the foregoing

**Plant and Machinery** means, in relation to a Chargor, all present and future plant, machinery, office equipment, computers, vehicles and other chattels of that Chargor (excluding any for the time being forming part of that Chargor's stock in trade or work in progress) and includes all Related Rights

**Receiver** means a receiver, receiver and manager or, where permitted by law, an administrative receiver (as the Security Trustee may specify at any time in any relevant appointment) and that term will include any appointee made under a Joint or several appointment

**Related Rights** means, to the extent applicable in relation to any asset:

- (a) the proceeds of sale, transfer, lease or other disposal of any part of all or any part of that asset
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of all or any part of that asset
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, Security Interests, guarantees, indemnities or covenants for title in respect of all or any part of that asset
- (d) any dividend, interest or other distribution paid or payable
- (e) any moneys and proceeds paid or payable in respect of all or any part of that asset

- (f) any awards or judgments in favour of a Chargor in respect of all or any part of that asset and
- (g) any other assets deriving from or relating to all or any part of that asset

**Secured Obligations** means all the Liabilities and all other monies and liabilities now or after the date of this Deed due, owing or incurred by any member of the Group, any Obligor or any Debtor to the Secured Parties (or any of them) under the Debt Documents in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Secured Party under any Finance Document

**Secured Parties** has the meaning given to it in the Facilities Agreement

**Security** means any Security Interest executed, created, evidenced or conferred by or pursuant to this Deed

**Security Interest** means any mortgage, charge, assignment, pledge, lien or other security interest securing any obligations of any person or any other agreement or arrangement having the effect of conferring security

**Security Period** means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied acting reasonably that the Secured Obligations have irrevocably and unconditionally been discharged in full and all the Facilities have been cancelled in full, whether or not as a result of an enforcement

**Shares** means, in relation to a Chargor, all of the shares held by that Chargor in any member of the Group and any other shares owned by or held by any nominee on behalf of that Chargor including those shares specified in Schedule 3 (Shares)

**Specific Contracts** means, in relation to a Chargor,

- (a) any agreement (whether written or otherwise) in respect of an Intra-Group Loan and to which that Chargor is a party;
- (b) any Hedging Agreement entered into by that Chargor in connection with the Finance Document; and
- (c) any other agreement to which that Chargor is a party and which is designated as such from time to time by the Parent and the Security Trustee.

and includes all Related Rights

## 1.2 Terms defined in other Finance Documents

Unless defined in this Deed, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Deed, or any notice given under or in connection with this Deed, as if all references in those defined terms to the Facilities Agreement or other Finance Document were a reference to this Deed or that notice

## 1.3 Construction

- (a) Save as otherwise provided in this Deed, clause 1.3 (Construction) of the Facilities Agreement will apply as if incorporated in this Deed, or in any notice given under or in

connection with this Deed, as if all references in that clause to the Facilities Agreement were a reference to this Deed or that notice

(b) References to a clause or schedule are to a clause or schedule of this Deed

#### **1.4 Intercreditor Agreement**

This Deed is subject to the terms of the Intercreditor Agreement.

#### **1.5 Disposition of Property**

The terms of the Facilities Agreement and each other Finance Document and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Deed and each other Finance Document to the extent required for any purported disposition of any Property contained in any Finance Document to be a valid disposition in accordance with Section 20) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.6 Clawback**

If the Security Trustee reasonably considers that any amount paid or credited to any Finance Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargors under this Deed and the Security Interests constituted by those documents will continue and such amount will not be considered to have been Irrevocably paid.

#### **1.7 Third Party Rights**

A person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

#### **1.8 Deed**

It is intended that this Deed takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

#### **1.9 Charged Assets**

The fact that no or incomplete details of any Charged Assets are inserted in the schedules (if any) by which a Chargor became party to this Deed does not affect the validity or enforceability of this Deed.

### **2 Covenant to pay**

Each Chargor covenants with the Security Trustee, as security trustee for the Secured Parties, to pay, discharge and satisfy the Secured Obligations when they become due for payment and discharge in accordance with their respective terms.

### **3 Fixed Security**

#### **3.1 General**

All Security created by a Chargor under this clause 3 and clause 4 (Floating Charge) inclusive is:

(a) granted in favour of the Security Trustee as security trustee for the Secured Parties;

- (b) continuing security for the payment, discharge and performance of the Secured Obligations (regardless of any intermediate payment);
- (c) granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (but subject to any Permitted Security); and
- (d) granted in respect of all the right, title and interest (if any), present and future, of that Chargor in and to the relevant Charged Asset.

### 3.2 Legal mortgage

Each Chargor charges by way of first legal mortgage the Material Real Property.

### 3.3 Assignment by way of Security

- (a) Each Chargor assigns and agrees to assign absolutely (to the extent not validly and effectively charged by way of first legal mortgage pursuant to clause 3.2 (Legal mortgage)) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same;
  - (i) any Insurance Policies; and
  - (ii) each Specific Contract.
- (b) Each Chargor shall remain liable to perform all its obligations under the assets described in paragraph (a) above;
- (c) Notwithstanding the other terms of this clause 3.3, prior to the occurrence of an Enforcement Event, each Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Specific Contracts and the Insurance Policies.

### 3.4 Fixed charges

Each Chargor (to the extent not validly and effectively charged by way of first legal mortgage pursuant to clause 3.2 (Legal mortgage) or assigned pursuant to clause 3.3 (Assignment by way of Security) charges, by way of first fixed charge:

- (a) the Material Real Property;
- (b) the Account's;
- (c) its book and other debts and monetary claims owing to it and any proceeds of those debts and claims and all Related Rights;
- (d) the Intellectual Property;
- (e) the Plant and Machinery;
- (f) any goodwill and rights and claims in relation to its uncalled share capital;
- (g) the Investments;
- (h) any beneficial interest, claim or entitlement it has to any pension fund now or in the future, and

- (i) each of the assets which are specified in clause 3.3 (Assignment by way of Security)

### 3.5 Fixed security

Clause 3.2 (Legal mortgage) and clause 3.3 (Assignment by way of Security) shall be construed as creating a separate and distinct mortgage, fixed charge or security assignment over each relevant asset within any particular class of assets specified in this Deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

## 4 Floating Charge

### 4.1 Floating charge

- (a) Each Chargor charges by way of first floating charge all its present and future assets and undertaking other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 3.2 (Legal mortgage), 3.3 (Assignment by way of Security) or 3.4 (Fixed charges) respectively
- (b) Paragraph 14 of Schedule 131 to the Insolvency Act 1986 applies to the floating charge created by paragraph (a) above.

### 4.2 Conversion of floating charge to fixed Security

- (a) The Security Trustee may at any time by notice to the relevant Chargor convert the floating charge constituted under clause 4.1 (Floating charge) with immediate effect into a fixed charge as regards any asset which is the subject of the floating charge or which is specified in the notice if:
  - (i) this Deed is enforceable in accordance with Clause 14 (When Security becomes enforceable); or
  - (ii) the Security Trustee reasonably considers that any of the Charged Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
  - (iii) the Security Trustee reasonably considers that it is necessary or prudent in order to protect the priority of the Security
- (b) In addition, without prejudice to any rule of law which may have a similar effect, the floating charge constituted under Clause 4.1 (Floating charge) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge if:
  - (i) a Chargor creates (or attempts or takes any steps to create) any Security Interest over any Charged Asset (save as expressly permitted under the Facilities Agreement or otherwise expressly consented to by the Security Trustee);
  - (ii) a Chargor disposes (or attempts or takes any steps to dispose) of all or any of the Charged Assets (save as expressly permitted under the Facilities Agreement or otherwise expressly consented to by the Security Trustee);

- (iii) any person levies (or attempts or takes any steps to levy) any distress, attachment, sequestration, execution or other process against any Charged Asset (which is not discharged within two Business Days); or
- (iv) an Administration Event occurs

## **5 Representations and Warranties**

Each Chargor

- (a) makes the representations and warranties set out in clause 21 (*Representations*) of the Facilities Agreement to the Security Trustee on the date of this Deed, and
- (b) represents and warrants to the Security Trustee that the assets listed in the schedules to this Deed in respect of that Chargor are all the relevant material assets in which it has an interest as at the date of this Deed.

## **6 Restrictions on Dealing**

### **6.1 Restrictions on dealings**

No Chargor may:

- (a) create or allow to exist any Security Interest over all or any part of the Charged Assets, or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily sell, transfer, licence lease or otherwise dispose of all or any part of its assets or enter into any other preferential arrangement having a similar effect,

unless expressly permitted under the Facilities Agreement or otherwise expressly consented to by the Security Trustee

## **7 Material Real Property**

### **7.1 Description of information**

Each Chargor represents and warrants to the Security Trustee on the date of this Deed that all Material Real Property in respect of which it has an interest is fully and accurately described in Schedule 2 (Material Real Property).

### **7.2 Title**

Each Chargor represents and warrants to the Security Trustee that except as disclosed in any Report on Title relating to any of its Material Real Property.

- (a) it is the legal and beneficial owner of its Material Real Property;
- (b) there are no breaches of Environmental Law which would be reasonably likely to affect materially the value or use of its Material Real Property or any part of it;
- (c) there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affecting any of its Material Real Property which

conflict with its present use or adversely affect the value or use of any of the Material Real Property, in each case to any material extent;

- (d) nothing has arisen or has been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or registered dispositions over any of its Material Real Property and which would be reasonably likely to affect materially its value or use;
- (e) all facilities (including access) necessary for the enjoyment and use of any of its Material Real Property (including those necessary for the carrying on of its business at the Material Real Property) are enjoyed by the relevant Material Real Property and none of those facilities are on terms entitling any person to terminate or curtail its use or on terms which conflict with or restrict its use, where the lack of those facilities would be reasonably likely to affect materially its value or use;
- (f) it has received no notice of any adverse claims by any person in respect of any of its Material Real Property which if adversely determined would or would be reasonably likely to materially adversely affect the value or use of any of its Material Real Property, nor has any acknowledgement been given to any person in respect of any of its Material Real Property; and
- (g) its Material Real Property is held by it free from any Security Interest or any lease or licence which would be reasonably likely to affect materially its value or use.

### 7.3 Repair

Each Chargor must keep:

- (a) all buildings and erections included on its Material Real Property in good and substantial repair and condition (ordinary wear and tear excepted); and
- (b) all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery included in its Material Real Property in good working order and condition (ordinary wear and tear excepted).

### 7.4 Leases

Each Chargor must:

- (a) perform all the material terms on its part contained in any Lease, agreement for lease, licence or other agreement or document which gives that Chargor a right to occupy or use property comprised in its Material Real Property;
- (b) duly and punctually comply with all material covenants and stipulations affecting the Material Real Property or the facilities (including access) necessary for the enjoyment and use of the Material Real Property and indemnify the Finance Parties in respect of any breach of those covenants and stipulations;
- (c) not do or allow to be done any act as a result of which any Lease comprised in its Material Real Property may become liable to forfeiture or otherwise be terminated;
- (d) not grant or agree to grant (whether in exercise of or independently of any statutory power) any lease or tenancy;

- (e) not agree to any amendment or waiver or surrender of any Lease or tenancy, not commence any forfeiture proceedings in respect of any Lease or tenancy;
- (f) not confer upon any person any contractual licence or right to occupy;
- (g) not consent to any assignment of any tenant's interest under any Lease or tenancy;
- (h) not agree to any rent reviews in respect of any Lease or tenancy; or
- (i) not serve any notice on any former tenant under any Lease or tenancy (or any guarantor of that former tenant) which would entitle it to a new Lease or tenancy.

#### 7.5 Future Material Real Property

Subject to the Agreed Security Principles, if a Chargor acquires any Material Real Property after the date of this Deed it must:

- (a) promptly notify the Security Trustee;
- (b) promptly on request by the Security Trustee and at the cost of that Chargor, execute and deliver to the Security Trustee a legal mortgage in favour of the Security Trustee of that property in any form which the Security Trustee may require (acting reasonably and in accordance with the Agreed Security Principles and consistent with this Deed);
- (c) promptly apply to the Land Registry for first registration of that Material Real Property (where that Material Real Property is capable of being registered at the Land Registry and is not already so registered) and for registration of it as proprietor of that Material Real Property;
- (d) promptly apply to the Land Registry requesting:
  - (i) a restriction in the form specified by the Security Trustee; and
  - (ii) the obligation to make further advances,
- (e) to be entered on the register of the title to that Material Real Property in respect of the Security created by way of an equitable or legal mortgage;
- (f) if applicable, ensure that this Deed and any mortgage is correctly noted in the Register of Title against that title at the Land Registry.

#### 7.6 Power to remedy

If a Chargor fails to perform any covenant or stipulation or any term of this Deed affecting any of its Material Real Property, that Chargor must allow the Security Trustee or its agents and/or contractors:

- (a) to enter any part of its Material Real Property,
- (b) to comply with or object to any notice served on that Chargor in respect of its Material Real Property, and
- (c) to take any action as the Security Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of any such covenant, stipulation or term or to comply with or object to any such notice,



Such Chargor must immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee or its agents or contractors incurred in connection with any action taken by it under this paragraph.

#### **7.7 Compliance with regulations, etc.**

Each Chargor shall at all times

- (a) observe and perform (and use all reasonable endeavours to ensure the observance and performance by any other person or persons at any time occupying or using all and any part of the Material Real Property of) the Planning Acts, building regulations and all restrictions, conditions and stipulations for the time being affecting all or any part of the Material Real Property or the mode or use or enjoyment of the same; and
- (b) preserve and renew when desirable or necessary all Authorisations and rights relating to the Material Real Property.

### **8 Investments**

#### **8.1 Changes to rights**

No Chargor may (except to the extent permitted by the Facilities Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Shares being issued.

#### **8.2 Certificated Investments**

- (a) As soon as reasonably practicable and in any event within 15 Business Days after its acquisition of any certificated Investment (other than the Shares), each Chargor
  - (i) must deposit with the Security Trustee, or as the Security Trustee may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to that Investment;
  - (ii) must deposit with the Security Trustee, or as the Security Trustee may direct, certified copies of all share registers for each Investment;
  - (iii) must promptly take any action and execute and deliver to the Security Trustee any share transfer or other document which may be requested by the Security Trustee in order to enable the transferee to be registered as the owner or otherwise obtain legal title to that Investment and this includes:
    - (A) delivering executed share transfers in favour of the Security Trustee or any of its nominees as transferee or, if the Security Trustee so directs, with the transferee left blank, and
    - (B) procuring that those share transfers are registered by the company in which the Investments are held and that share certificates in the name of the transferee are delivered to the Security Trustee.
- (b) The Security Trustee will not require any Investment to be transferred into the name of the Security Trustee as owner or otherwise obtain a legal title to an Investment prior to the Security becoming enforceable.

**8.3 Changes to rights**

No Chargor may (except to the extent permitted by the Facilities Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Shares being issued.

**8.4 Calls**

- (a) Each Chargor must pay all calls and other payments due and payable in respect of any of its Investments
- (b) If a Chargor fails to do so, the Security Trustee may pay those calls or other payments on behalf of that Chargor. That Chargor must immediately on request reimburse the Security Trustee for any payment made by the Security Trustee under this 8.2 and, pending reimbursement, that payment will constitute part of the Secured Obligations

**8.5 Other obligations in respect of Investments**

No Finance Party will be required in any manner to:

- (a) perform or fulfil any obligation of a Chargor;
- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor;
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount; or
- (e) in respect of any Investment.

**8.6 Dividends**

- (a) At any time prior to an Enforcement Event, each Chargor shall be entitled to receive and retain all dividends, interest and other monies arising from the Investment.
- (b) At any time after an Enforcement Event, each Chargor shall hold any amounts or other benefits received by way of dividends, interest and other monies arising from the Investments on trust for the Secured Parties and pay the same immediately to the Security Trustee or as it may direct.

**8.7 Voting rights**

- (a) At any time prior to an Enforcement Event each Chargor shall be entitled to exercise (or direct the exercise of) the voting and other rights and powers attached to the Investments provided that such Chargors may only exercise such rights or powers (or otherwise permit or agree to any variation of the rights attached to or conferred by all or any part of the Investments) if
  - (i) that does not breach any provision of any Finance Document or cause an Event of Default to occur;
  - (ii) that does not adversely affect the validity or enforceability of the Security Interest created (or purported to be created) by this Deed; and

- (iii) the exercise of, or the failure to exercise, those rights and powers would not have a material and adverse effect on the ability of the Security Trustee to realise this Deed.
- (b) At any time after an Enforcement Event, the Security Trustee (or any Receiver or Delegate) may, at its discretion, (in the name of the relevant Chargor or otherwise and without any further consent or authority from such Chargor):
  - (i) exercise (or refrain from exercising) any voting rights in respect of the Investments;
  - (ii) apply all dividends, interest and other monies arising from the Investments in accordance with clause 18 (Application of monies);
  - (iii) transfer the Investments into the name of the Security Trustee or such nominee(s) of the Security Trustee as it shall require; and
  - (iv) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Investments, including the right, in relation to any company whose shares or other securities are included in the Investments, to concur or participate in
    - (A) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
    - (B) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
    - (C) the exercise, renunciation or assignment of any right to subscribe for any shares or securities, in each case in the manner and on the terms the Security Trustee thinks fit, and the proceeds of any such action shall form part of the Investments.

## 8.8 Delivery of share certificates and registers

Each Chargor shall:

- (a) immediately upon the date of this Deed (or, if later, upon the acquisition of or subscription for any other Investments), and save for those documents deliverable under clause 8.8(b) below, deposit with the Security Trustee (or procure the deposit of) all certificates or other documents of title to the Investments and stock transfer forms (executed in blank by it or on its behalf), together with a duly certified copy of the register for such Investments;
- (b) as soon as possible after the Acquisition, noting the requirements for the stamping of the stock transfer forms relating to shares in the Target pursuant to the Acquisition, with best endeavours procure the delivery to the Security Trustee of all certificates or other documents of title for the Investments that it holds in the Target and such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf), together with a duly certified copy of the register for such shares; and

- (c) promptly upon the acquisition, subscription, accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments notify the Security Trustee of that occurrence and procure the delivery to the Security Trustee of all certificates or other documents of title representing such items and such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Security Trustee may request, together with a duly certified copy of the register for such Investments.

## **9 Intellectual Property**

### **9.1 Representations**

Each Chargor represents to the Security Trustee that as at the date of this Deed all Intellectual Property which is material to its business is fully and accurately described in Schedule 4 (Intellectual Property).

### **9.2 Acquisition**

Each Chargor (or the Parent on its behalf) shall promptly notify the Security Trustee if it acquires, develops or establishes any Material Intellectual Property after the date of this Deed and any application by it or on its behalf to register any Material Intellectual Property (to the extent such Intellectual Property is registrable).

### **9.3 Preservation**

Each Chargor must promptly, if requested to do so by the Security Trustee (acting reasonably), sign or procure the signature of, and comply with all instructions of the Security Trustee in respect of, any document required to make entries in any public register of Material Intellectual Property in any jurisdiction (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed.

## **10 Accounts**

### **10.1 Accounts**

Each Chargor shall, on or before the date of this Deed (or, as applicable, the date on which any new Account is established after the date of this Deed) deliver details of all of its Accounts to the Security Trustee.

### **10.2 Book debts and receipts**

Each Chargor must get in and realise its

- (a) securities to the extent held by way of temporary investment;
- (b) book and other debts and other moneys owed to it, and
- (c) royalties, fees and income of any nature owed to it, in the ordinary course of its business and, following an Enforcement Event
  - (i) pay such monies into such account as the Security Trustee may designate, and
  - (ii) not enter into a single transaction or series of transactions to sell, factor, discount or otherwise dispose of all part of its receivables.

### 10.3 Withdrawals

- (a) Prior to an Enforcement Event, the Chargor may withdraw any moneys (including interest) standing to the credit of an Account (other than a Controlled Account) except as prohibited by the Facilities Agreement.
- (b) Except with the prior written consent of the Security Trustee or as provided below, no Chargor may withdraw any moneys (including interest) standing to the credit of a Controlled Account except as permitted or required by clause 9 of the Facilities Agreement.
- (c) Prior to an Enforcement Event, the Security Trustee may (subject to the payment of any claims having priority to this Deed and subject to the Intercreditor Agreement) withdraw amounts standing to the credit of a Controlled Account in accordance with clause 9 of the Facilities Agreement.
- (d) After an Enforcement Event, the Security Trustee may (subject to the payment of any claims having priority to this Deed and subject to the Intercreditor Agreement) withdraw, transfer or set-off amounts standing to the credit of any Account to satisfy the Secured Obligations.

## 11 Insurances

### 11.1 Rights

After an Enforcement Event:

- (a) the Security Trustee may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any of the rights of any Chargor in connection with any amounts payable to it under any of its Insurances;
- (b) each Chargor must take such steps (at its own cost) as the Security Trustee may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor; and
- (c) each Chargor must hold any payment received by it under any of its Insurances (excluding proceeds of any third party liability insurances paid to the Chargor to meet third party claims) on trust for the Security Trustee.

## 12 Provisions as to Security

### 12.1 Implied covenants for title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to clauses 3 (Fixed Security) or 4 (Floating Charge)
- (b) It shall be implied in respect of Clauses 3 (Fixed Security) and 4 (Floating Charge) *that* a Chargor is disposing of the Charged Assets free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment), save for any Permitted Security.

**12.2 Notice of Security: Leases**

Each Chargor:

- (a) immediately upon the date of this Deed (or, if later, upon acquiring or entering into a Lease) give notice to all landlords, tenants and other persons who are parties to any Leases, of the fixed Security constituted under this Deed in respect of any such Lease, such notice being substantially in the form set out in Part 1 of Schedule 6 (Leases); and
- (b) use all reasonable endeavours to procure that each such landlord, tenant or other person delivers an acknowledgement of receipt of such notice to the Security Trustee substantially in the form set out in Part 2 of Schedule 6 (Leases) within 20 Business Days of the date of this Deed (or, if later, the date on which such lease was entered into) and shall keep the Security Trustee informed of the progress of its negotiations with such landlord provided that this obligation will cease 3 months after such consent was first requested if such consent has not been obtained by that date For the purpose of this Clause 12.2(b) reasonable endeavours shall not include the payment of any fee to the landlord to obtain consent.

**12.3 Notice of Security: Accounts**

Each Chargor (or the Parent on its behalf) will:

- (a) immediately upon the date of this Deed (or, if later, upon the establishment of any new Account), give notice to the relevant bank, building society, financial institution or other person of the charge constituted under this Deed in respect of each Account, such notice being in the form set out in Part 1 of Schedule 7 (Accounts) and specifying therein each Controlled Account as "blocked"; and
- (b) use all reasonable endeavours to procure that the relevant bank, building society or other financial institution or other person delivers an acknowledgement of receipt of such notice to the Security Trustee substantially in the form set out in Part 2 of Schedule 7 (Accounts) within 20 Business Days of service of the notice referred to in clause 12.3(a) above.

**12.4 Notice of Security: Insurance Policies**

Each Chargor will:

- (a) immediately upon the date of this Deed (or, if later, upon the establishment of any new Insurance Policy) give notice to each insurer party to each of the Insurance Policies of the assignment constituted by this Deed in respect of each Insurance Policy, such notice being substantially in the form set out in Part 1 of Schedule 8 (Insurance policies); and
- (b) use all reasonable endeavours to procure that each such insurer delivers an acknowledgement of receipt of such notice to the Security Trustee substantially in the form set out in Part 2 of Schedule 8 (Insurance policies) within 20 Business Days of service of the notice referred to in clause 12.4(a) above.

**12.5 Notice of Security: Specific Contracts**

- (a) Each Chargor will:

- (i) immediately upon the date of this Deed (or, if later, upon the entering into or designation of any other Specific Contract), give notice to the relevant counterparty to each Specific Contract of the assignment constituted under this Deed in respect of each Specific Contract, such notice being substantially in the form set out in Part 1 of Schedule 9 (Specific contracts) or in such other form as may be specified by the Security Trustee (acting reasonably and in accordance with the Agreed Security Principles), and
  - (ii) use all reasonable endeavours to procure that the relevant counterpart), delivers an acknowledgement of receipt of such notice to the Security Trustee substantially in the form set out in Part 2 of Schedule 9 (Specific contracts) or in such other form as may be specified by the Security Trustee (acting reasonably and in accordance with the Agreed Security Principles) within 5 Business Days of the date of this Deed (or, if later, the date of entering into or designating the relevant Specific Contract).
- (b) Each Chargor is deemed to have given (and acknowledged) such notice of assignment in respect of any Intra-Group Loans outstanding on the date of this Deed where the creditors and debtors under such loans are Chargors.

#### 12.6 Third Party Consents for Leases

- (a) If under the terms of a Lease any Chargor is not permitted to charge or assign its interest in such Material Real Property (either absolutely or without the consent of the landlord) (**Restricted Property**) it undertakes promptly to make an application for the landlord's consent to the creation of the mortgage contained in clause 3.2 (Legal mortgage) and the fixed charge contained in clause 3.4 (Fixed charges) (together with any mortgage or charge to be created under clause 13 (Further assurance) and shall use all reasonable endeavours to obtain such consent as soon as reasonably practicable and shall keep the Security Trustee informed of the progress of its negotiations with such landlord provided that this obligation will cease 3 months after such consent was first requested for a potential Restricted Property if such consent has not been obtained by that date. For the purpose of this clause 12.6(a) reasonable endeavours shall not include the payment of any fee to the landlord to obtain consent.
- (b) There shall be excluded from the mortgage contained in Clause 3.2 (Legal mortgage) and the fixed charge contained in Clause 3.4 (Fixed charges) (together with any mortgage or charge to be created under Clause 13 (Further assurance)) any Restricted Property until the relevant consent is obtained. Immediately upon receipt of such consent, the relevant Restricted Property shall stand mortgaged and charged to the Security Trustee under Clause 3.2 (Legal mortgage) and the fixed charge contained in Clause 3.4 (Fixed charges) (together with any mortgage or charge to be created under Clause 13 (Further assurance)).

#### 12.7 Deposit of title deeds

Each Chargor shall:

- (a) as soon as reasonably practicable following the request of the Security Trustee after the date of this Deed, deposit with the Security Trustee (or provide a solicitor's undertaking to hold in favour of the Security Trustee) all deeds, certificates and other documents (if any) constituting or evidencing title to any Material Real Property; and

- (b) deposit with the Security Trustee (or provide a solicitor's undertaking to hold in favour of the Security Trustee) at any time thereafter any further such deeds, certificates and other documents, promptly upon coming into possession of any of those items.

## 12.8 Application to the Land Registry

Each Chargor hereby consents to an application in the following (or substantially similar) terms being made to the Land Registry to enter a restriction in the proprietorship register of any registered land at any time forming part of the Material Real Property:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] 2016 in favour of Santander UK plc (as Security Trustee) referred to in the charges register or their conveyancer"*

## 12.9 Further Loans

- (a) Subject to the terms of the Facilities Agreement, each Lender is under an obligation to make further Loans to the Chargors, and that obligation will be deemed to be incorporated in this Deed as if set out in this Deed.
- (b) Each Chargor consents to an application being made to the Land Registry to enter notice of the obligation to make further Loans on the Charges Register of any registered land forming part of the Charged Assets.

## 13 Further assurance

### 13.1 Further assurance

- (a) The covenant set out in Section 2(1)(6) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) below.
- (b) Each Chargor shall promptly, at its own cost and subject to the Agreed Security Principles, do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) in favour of the Security Trustee or its nominee(s)
  - (i) to perfect the Security created or intended to be created in respect of the Charged Assets (which may include the execution by such Chargor of a mortgage, charge, assignment or other Security Interest over all or any of the assets constituting, or intended to constitute, Charged Assets) or for the exercise of any the rights, powers and remedies of the Security Trustee, any Receiver or the Secured Parties provided by or pursuant to this Deed or by law;
  - (ii) to confer on the Security Trustee (or the Secured Parties) security over any property, asset or undertaking of such Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Deed; and/or
- (c) after the Security has become enforceable, to facilitate the realisation of the Charged Assets.



**13.2 Necessary Action**

Subject to the Agreed Security Principles, each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary or as may reasonably be requested by the Security Trustee for the purpose of the creation, perfection, protection or maintenance of any Security.

**14 When Security becomes enforceable****14.1 Timing**

This Deed will become immediately enforceable any time

- (a) after the occurrence of an Enforcement Event,
- (b) if a Chargor requests that the Security Trustee exercises any of its powers under this Deed

**14.2 Enforcement**

After this Deed has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of this Deed in any manner it sees fit or as may be directed by the relevant Secured Parties in accordance with the Intercreditor Agreement.

**15 Enforcement of Security****15.1 General**

- (a) The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 (and the Secured Obligations shall be deemed to be due and payable for that purpose) and such power shall arise on execution of this Deed (but shall only be exercisable following an Enforcement Event).
- (b) Any restriction imposed by law on the power of sale (including under section 103 of the Law of Property Act 1925) or the right of a mortgagee to consolidated mortgages (including under section 93 of the Law of Property Act 1925) does not apply to this Deed.
- (c) Any powers of leasing conferred on the Security Trustee by law are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders or leases and grant options as the Security Trustee may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Law of Property Act 1925).

**15.2 No liability as mortgagee in possession**

None of the Security Trustee, any Receiver nor a nominee of either of them will be liable, by reason of entering into possession of a Charged Asset:

- (a) to account as mortgagee in possession or for any loss on realisation, or
- (b) for any default or omission for which a mortgagee in possession might be liable, except in the case of gross negligence or wilful default on its part.

**15.3 Privileges**

Each Receiver, the Security Trustee or a nominee of a Receiver of the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by law (including the Law of Property Act 1925) on mortgagees and receivers duly appointed under any law (including the Law of Property Act 1925).

**15.4 Protection of third parties**

No person (including a purchaser) dealing with the Security Trustee or a Receiver or Delegate will be concerned to enquire

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Trustee or a Receiver is purporting to exercise has become exercisable or is being properly exercised, or
- (c) how any money paid to the Security Trustee or to that Receiver is to be applied.

**15.5 Redemption of prior mortgages**

- (a) At any time after this Deed has become enforceable, the Security Trustee may
  - (i) redeem any prior Security Interest against any Charged Asset and/or procure the transfer of that Security Interest to itself or its nominee; and/or
  - (ii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor
- (b) Each Chargor must pay to the Security Trustee, immediately on demand, the costs and expenses incurred by the Security Trustee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

**15.6 Right of appropriation**

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 apply to a Charged Asset, the Security Trustee shall have the right (following an Enforcement Event and without giving notice) to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations. For this purpose, a commercially reasonable method of valuing a Charged Asset shall be.

- (a) in the case of cash on account in an Account, the amount standing to the credit of that Account, together with any accrued interest, at the time of appropriation, and
- (b) in the case of any Investments, their market value determined by the Security Trustee by reference to a public index, independent valuation or by such other process as the Security Trustee may select.

**15.7 Effect of Moratorium**

The Security Trustee shall not be entitled to exercise its rights under clause 14.2 (Enforcement) or clause 4.2 (Conversion of floating charge to fixed Security) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

**16 Appointment of Receiver or Administrator****16.1 Appointment and removal**

After this Deed has become enforceable (or if requested by a Chargor) the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice,

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets;
- (b) appoint two or more Receivers of separate parts of the Charged Assets;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); or
- (e) appoint one or more persons to be an administrator of the Chargor(s).

**16.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to clause 16.1 (Appointment and removal) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of the Chargor(s) which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

**16.3 Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Assets.

**17 Powers of Receivers**

Every Receiver shall (subject to any restrictions in the Instrument appointing him but notwithstanding any winding-up or dissolution of the relevant Chargor) have and be entitled to exercise, in relation to the Charged Assets, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of the relevant Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the relevant Chargor) which seem to the Receiver to be incidental or conducive to:
  - (i) any of the functions, powers, authorities or discretion conferred on or vested in him;
  - (ii) the exercise of any rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
  - (iii) bringing to his hands any assets of the relevant Chargor forming part of, or which when got in would be, Charged Assets.

## **18 Application of monies**

All monies received by the Security Trustee or any Receiver after the Debenture has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security and subject to the Intercreditor Agreement) be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made, by the Security Trustee, any other Secured Party or any Receiver or Delegate and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) secondly, in or towards satisfaction of the remaining Secured Obligations in, and
- (c) thirdly, in payment of any surplus to any Chargor or other person entitled to it

## **19 Expenses and Indemnity**

### **19.1 General**

Without in any way limiting the terms of the Facilities Agreement each Chargor must promptly and in any event within three (3) Business Days of demand:

- (a) pay all costs and expenses (including legal fees) incurred in connection with this Deed by the Security Trustee, Receiver, attorney, manager, agent or other person appointed by the Security Trustee under this Deed; and
- (b) keep each of those persons indemnified against any loss or liability incurred by it in connection with any litigation, arbitration or administrative proceedings concerning this Deed; this includes any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise (otherwise, in each case, than by reason of the relevant Security Trustee's, Receiver's or other person appointed by the Security Trustee under this Deed gross negligence or wilful misconduct).

## 19.2 Currency Indemnity

- (a) If any sum due from a Chargor under the Finance Documents (**Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (**First Currency**) in which that Sum is payable into another currency (**Second Currency**) for the purpose of:

- (i) making or filing a claim or proof against that Obligor; or
- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Chargor shall as an independent obligation, within three (3) Business Days of demand, indemnify each Secured Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) Unless otherwise required by law, each Chargor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.

## 20 Protection of Purchasers

### 20.1 Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or making any acquisition, the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

### 20.2 Protection of purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or validity on the part of the Security Trustee or such Receiver in such dealings

## 21 Power of Attorney

### 21.1 Appointment and powers

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

- (a) carrying out any obligation imposed on such Chargor by this Deed or any other agreement binding on such Chargor to which the Security Trustee is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting the security created or intended to be created in respect of the Charged Assets), and

- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Deed or by law (including, after this Deed has become enforceable in accordance with clause 14 (When Security becomes enforceable), the exercise of any right of a legal or beneficial owner of the Charged Assets).

## **21.2 Exercise of power of attorney**

The Security Trustee may only exercise the power of attorney granted pursuant to Clause 21.1 (Appointment and powers) following:

- (a) the occurrence of an Enforcement Event, or
- (b) the failure by a Chargor to comply with any undertaking or obligation under this Deed within 5 Business Days of being notified of that failure by the Security Trustee (with a copy of such notice being sent to the Parent) and being requested to comply.

## **21.3 Ratification**

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

## **22 Delegation**

Each of the Security Trustee and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

## **23 Effectiveness of Security**

### **23.1 Continuing security**

- (a) The Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee
- (b) No part of the Debenture will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

### **23.2 Cumulative rights**

The Debenture shall be cumulative, in addition to and independent of every other Security Interest which the Security Trustee or any Finance Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security Interest held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Finance Parties over the whole or any part of the Charged Assets shall merge into the Security.

### **23.3 No prejudice**

The Debenture shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Trustee (whether in its capacity as trustee or otherwise) or any of the

other Finance Parties or by any variation of the terms of the trust upon which the Security Trustee holds the Security or by any other thing which might otherwise prejudice that Security.

#### 23.4 Remedies and waivers

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed, shall operate as a waiver of those rights, powers and remedies, nor shall any single or partial exercise of any such rights, powers and remedies preclude any further or other exercise of that or any other rights, powers and remedies.

#### 23.5 Partial invalidity

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

#### 23.6 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this clause 23.6, would reduce, release or prejudice any of its obligations under, or the Security created by, this Deed and whether or not known to such Chargor or any Finance Party including-

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any Obligor,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any Security,
- (d) any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person,
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Obligations;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations, and
- (g) any insolvency or similar proceedings

**23.7 Immediate recourse**

Each Chargor waives any right it may have of first requiring a Finance Party (or any trustee or Security Trustee on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from such Chargor under this Deed. This waiver applies irrespective of any law or any provision of this Deed to the contrary.

**23.8 Deferral of rights**

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Deed; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Finance Parties under this Deed or of any other guarantee or Security taken pursuant to, or in connection with, this Deed by any Finance Party

**23.9 Release of Chargors' right of contribution**

If any Chargor ceases to be a Chargor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Chargor:

- (a) that Chargor will be released by each other Chargor from any liability whatsoever to make a contribution to any other Guarantor arising by reason of the performance by any other Chargor of its obligations under the Finance Documents; and
- (b) each other Chargor will waive any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of any Finance Party or of any other security taken under, or in connection with, any Finance Document where the rights or security are granted by or in relation to the assets of the retiring Chargor

**23.10 Collateral Security**

When any Security Interest initially takes effect as a collateral or further Security Interest to another Security Interest intended to be constituted under this Deed or which otherwise secures all or any part of the Secured Obligations to which a Chargor is a party then, despite any receipt, release or discharge endorsed on or given in respect of or under the second mentioned Security Interest, the first mentioned Security Interest will operate as an independent Security Interest.

**24 Prior Security Interests**

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security Interest against any of the Charged Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale under this Deed, the Security Trustee may redeem such prior Security Interest or procure the transfer thereof to itself.
- (b) The Security Trustee may settle and agree the accounts of the prior Security Interest and any accounts so settled and passed will be conclusive and binding on the Chargors.



- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargors to the Security Trustee on demand together with accrued interest thereon as well as before judgment at the rate from time to time applicable to unpaid sums specified in the Facilities Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment).

## **25 Subsequent Security Interests**

If the Security Trustee or any of the other Finance Parties at any time receives or is deemed to have received notice of any subsequent Security Interest, assignment or transfer affecting the Charged Assets or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of any Chargor to the Security Trustee will (in the absence of any express contrary appropriation by the Chargor) be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

## **26 Suspense Accounts**

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's discretion, in or towards the discharge of any of the Secured Obligations.

## **27 Notices**

Any communication under this Deed shall be made and given in accordance with the terms of clause 34 (*Notices*) of the Facilities Agreement.

## **28 Counterparts**

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

## **29 Governing law and jurisdiction**

- (a) This Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this deed or any non-contractual obligations arising out of or in any way relating to this Deed) (**Dispute**).
- (c) The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle the Disputes and accordingly no party will argue to the contrary.

**This Deed** has been executed as, and is intended to take effect as, a deed by the Chargors and is delivered and has been signed by the Security Trustee on the date written on the first page of this Deed

**Schedule 1****The Chargors**

| <b>Name</b>                      | <b>Jurisdiction of<br/>incorporation</b> | <b>Registered number</b> |
|----------------------------------|--|--------------------------|
| 2 Circles Communications Limited | England and Wales                        | 03843488                 |
| 3 Circles Communications Limited | England and Wales                        | 08381767                 |

**Schedule 2**  
**Material Real Property**

## Schedule 3

## Shares

| Chargor                          | Name and registered number of Subsidiary         | Number and class of shares                     |
|----------------------------------|--|--|
| 3 Circles Communications Limited | 2 Circles Communications Limited (CRN: 03843488) | 1,472 Ordinary Shares<br>528 A Ordinary Shares |

**Schedule 4**  
**Intellectual Property**

**Schedule 5**  
**Insurance Policies**

## Schedule 6

## Leases

## Part 1– Notice of Charge of Lease

To [Insert name and address of Headlease Holder]

Date • [♦]

Dear Sirs

We give you notice that, by a debenture dated [♦] 2016 (the **Debenture**), we charged to [insert name of Security Trustee] (the **Security Trustee**) (as trustee for the Secured Parties) all our right, interests and benefits in, to and under [the [describe Lease] dated [♦] between [♦] and [♦] relating to [♦] (including all monies payable thereunder and the proceeds of all claims and judgments for breach of covenant) (the **Lease**).

We will remain liable to perform all our obligations under the Lease and the Security Trustee is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Lease.

If the security constituted by the Debenture becomes enforceable, the Security Trustee may notify you of such event (an **Enforcement Notice**).

Please note that immediately following your receipt of an Enforcement Notice.

- 1 all remedies provided for under the Lease or available at law or in equity are exercisable by the Security Trustee,
- 2 all rights to compel performance of the Lease are exercisable by the Security Trustee, and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Lease belong to the Security Trustee,
- 4 all amounts payable by you in relation to the Contract shall be payable directly to (or at the direction of) the Security Trustee, and
- 5 you are authorised to disclose information in relation to the Policy to the Security Trustee

This letter may only be revoked with the prior written consent of the Security Trustee.

This letter is governed by and will be construed in accordance with the laws of England.

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Trustee (at [insert name & address of Security Trustee]) with a copy to us.

Yours faithfully

---

[Insert name of relevant Chargor]

## Part 2- Acknowledgement of Notice of Charge

To *[Insert name of Security Trustee]* as Security Trustee

Date [◆]

Dear Sirs

We confirm receipt from [◆] (the **Chargor**) of a notice dated [◆] of a charge by way of [fixed charge] upon the terms of a debenture dated [◆] (the **Debenture**) to *[Insert name of Security Trustee]* (the **Security Trustee**) (as trustee for the Secured Parties) of all the Charger's right, interest and benefit in, to and under the Lease (as specified in that notice) to which we are a party (the **Notice**).

We confirm that we have not received notice of:

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in the Notice; or
- (b) the interest of any third party in any of the rights, interests and benefits specified in the Notice

We further confirm that:

- 6 no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Security Trustee
- 7 no termination of such rights, interests or benefits will be effective unless we have given the Security Trustee 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination
- 8 the Chargor will remain liable to perform all its obligations under the Lease and the Security Trustee is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by the Charger to perform its obligations under the Lease, and
- 9 no breach or default on the part of the Chargor of any of the terms of such Lease will be deemed to have occurred unless we have given notice of such breach to the Security Trustee specifying how to make good such breach

We unconditionally and irrevocably waive all rights of set-off, counter-claim and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor

This letter is governed by and will be construed in accordance with the laws of England

Yours faithfully

---

[Headlease Holder]



## Schedule 7

## Accounts

## Part 1- Notice of Security over Accounts

To. [Insert name and address of bank/building society/financial institution]

Date: [◆]

Dear Sirs

We give you notice that, by a debenture dated [0] (the **Debenture**), the companies identified in the schedule to this notice (together with the Parent, the **Customers**) have charged to [insert name of Security Trustee] (the **Security Trustee**) as trustee for the Secured Parties any accounts and all monies (including interest) from time to time standing to the credit of those accounts identified in the schedule to this notice (the **Charged Accounts**) and to all interest (if any) accruing thereon.

If the security constituted by the Debenture becomes enforceable, the Security Trustee may notify you of such event (an **Enforcement Notice**).

We irrevocably instruct and authorise you:

- (a) following receipt of an Enforcement Notice (or at any time in respect of any blocked Charged Account), to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Trustee and to pay all or any part of those monies to the Security Trustee (or as it may direct) promptly, and
- (b) to disclose to the Security Trustee (without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure) such information relating to the Customers or the Charged Accounts which the Security Trustee may from time to time request you to disclose to it

We also give you notice that:

- (i) the Security Trustee will have sole signing rights to those Charged Accounts which are identified as "blocked" accounts in the schedule to this notice and therefore the Customers may not withdraw any monies from such accounts without having obtained the prior written consent of the Security Trustee,
- (ii) the Customers may make withdrawals from those Charged Accounts which are identified as "not blocked" accounts in the schedule below until such time as the Security Trustee shall notify you in writing that their permission is withdrawn; and
- (iii) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Trustee.

This letter is governed by and will be construed in accordance with the laws of England

Please confirm your agreement to the above by signing the enclosed acknowledgement of this notice and returning to the Security Trustee (at *[insert name & address of Security Trustee]*) with a copy to US

Yours faithfully

---

[Insert name of the Parent/charging company]

[For and on behalf of [s]

as agent for and on behalf of all of the Customers]<sup>1</sup>

### The Schedule

| Customer | Account Number | Sort Code | Status                |
|----------|----------------|-----------|-----------------------|
| [♦]      | [♦]            | [♦]       | [blocked/not blocked] |
|          |                |           |                       |
|          |                |           |                       |
|          |                |           |                       |

---

<sup>1</sup> Delete if the charging company is sending this on its own behalf, not by the Parent on its behalf

**Part 2- Acknowledgement of Security by Account Bank**

To [Insert name of Security Trustee]  
as Security Trustee

Date: [◆]

Dear Sirs

We confirm receipt from *[insert name of charging company]* (the **Chargor**) of a notice dated [◆] of a charge upon the terms of a debenture dated [◆] (the **Debenture**) of all monies (including interest) from time to time standing to the credit of the Charged Accounts specified in the notice. Terms defined in such notice shall have the same meaning in this acknowledgement (the **Notice**)

We agree to act in accordance with the provisions of the Notice

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts, security in respect of any Charged Account and similar rights (however described) which we may have now or in the future in respect of any Charged Account or the balance thereon to the extent that such rights relate to amounts owed to us by any Customer, other than in relation to our standard bank charges

We confirm that we have not received notice of the interest of any third party in any Charged Account

This letter is to be governed by and will be construed in accordance with the laws of England.

Yours faithfully

---

[Insert name of account bank]

## Schedule 8

## Insurance policies

## Part 1- Notice of Assignment of Insurance Policies

To. [Insert name and address of insurer]

Date [◆]

Dear Sirs

We give you notice that, by a debenture dated [◆] (the **Debenture**), we charged by way of assignment to [insert name of Security Trustee] (the **Security Trustee**) (as trustee for the Secured Parties) all our right, interests and benefits in, to and under the [describe Insurance Policy] with policy number [insert policy number] effected by us or whomsoever (including all monies payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy of insurance (the **Policy**)

We will remain liable to perform all our obligations under the Policy and the Security Trustee is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy

If the security constituted by the Debenture becomes enforceable, the Security Trustee may notify you of such event (an **Enforcement Notice**)

Please note that immediately following your receipt of an Enforcement Notice

- 1 all remedies provided for under the Policy or available at law or in equity are exercisable by the Security Trustee,
- 2 all rights to compel performance of the Policy are exercisable by the Security Trustee;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Policy belong to the Security Trustee;
- 4 all amounts payable by you in relation to the Contract shall be payable directly to (or at the direction of) the Security Trustee, and
- 5 you are authorised to disclose information in relation to the Policy to the Security Trustee

This letter may only be revoked with the prior written consent of the Security Trustee

This letter is governed by and will be construed in accordance with the laws of England.

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Trustee (at [insert name & address of Security Trustee]) with a copy to us.

Yours faithfully

---

Insert name of charging company]

**Part 2- Acknowledgement of Assignment by Insurer**

To. [Insert name and address of insurer]

Date [◆]

Dear Sirs

We confirm receipt from [Insert name of charging company] (the **Chargor**) of a notice dated [◆] of a charge by way of assignment upon the terms of a debenture dated [•] (the **Debenture**) to [insert name of Security Trustee] (the **Security Trustee**) (as trustee for the Secured Parties) of all the Chargor's right, interest and benefit in, to and under the Policy (as specified in that notice) to which we are a party (the **Notice**)

We confirm that

- (a) we have not received notice of
  - (i) any assignment or charge of or over any of the rights, interests and benefits specified in the Notice, or
  - (ii) the interest of any third party in any of the rights, interests and benefits specified in the Notice,
- (b) we acknowledge the terms of the Notice and will act in accordance with its provisions;
- (c) we have noted the interests of the Security Trustee on the Policy,
- (d) we will notify the Security Trustee of any claim paid out by us under the Policy; and
- (e) no breach of default on the part of the Chargor of any of the terms of such Policy will be deemed to have occurred unless we have given notice of such breach to the Security Trustee specifying how to make good such breach

We unconditionally and irrevocably waive all rights of set-off, counter-claim and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor

This letter is governed by and will be construed in accordance with the laws of England. Yours faithfully

Yours faithfully

---

[Insurer]

## Schedule 9

## Specific contracts

## Part 1- Notice of Assignment of Specific Contracts

To [Insert name of Counterparty/ies]

Date. [◆]

Dear Sirs

We give you notice that, by a debenture dated [◆] (the **Debenture**), we charged by way of assignment to [insert name of Security Trustee] (the **Security Trustee**) (as trustee for the Secured Parties) all our right, interests and benefits in, to and under the [describe Specific Contract] (including all monies payable thereunder) (the **Contract**)

We will remain liable to perform all our obligations under the Contract and the Security Trustee is under no obligation of any kind whatsoever under the Contract nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Contract.

If the security constituted by the Debenture becomes enforceable, the Security Trustee may notify you of such event (an **Enforcement Notice**)

Please note that immediately following your receipt of an Enforcement Notice:

- 1 all remedies provided for under the Contract or available at law or in equity are exercisable by the Security Trustee,
- 2 all rights to compel performance of the Contract are exercisable by the Security Trustee,
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Contract belong to the Security Trustee,
- 4 all amounts payable by you in relation to the Contract shall be payable directly to (or at the direction of) the Security Trustee; and
- 5 you are authorised to disclose information in relation to the Contract to the Security Trustee.

This letter may only be revoked with the prior written consent of the Security Trustee.

This letter is governed by and will be construed in accordance with the laws of England

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Trustee (at *[insert name & address of Security Trustee]*) with a copy to us

Yours faithfully

---

[Insert name of charging company]

**Part 2- Acknowledgement of Assignment by Counterparty**

To [Insert name of Security Trustee]  
as Security Trustee

Date. [◆]

Dear Sirs

We confirm receipt from [◆] (the **Chargor**) of a notice dated [◆] of a charge by way of assignment upon the terms of a debenture dated [o] (the **Debenture**) to [insert name of Security Trustee] (the **Security Trustee**) (as trustee for the Secured Parties) of all the Chargor's right, interest and benefit in, to and under the Contract (as specified in that notice) to which we are a party (the **Notice**).

We confirm that we have not received notice of

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in the Notice, or
- (b) the interest of any third party in any of the rights, interests and benefits specified in the Notice

We confirm that we acknowledge the terms of the Notice and will act in accordance with its provisions.

We unconditionally and irrevocably waive all rights of set-off, counter-claim and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor

This letter is governed by and will be construed in accordance with the laws of England

Yours faithfully

Yours faithfully

---

[Insert name of charging company]

## SIGNATURES TO THE DEBENTURE

## Parent

Executed as a deed by )  
**Southern Communications Group Limited** )  
 acting by a director in the presence of ) Director

Signature of witness

Name GRACE DURKIN

Address One London Wall  
London EC2Y 5EB

## Chargors

Executed as a deed by )  
**2 Circles Communications Limited** )  
 acting by a director in the presence of ) Director

Signature of witness

Name GRACE DURKIN

Address One London Wall  
London EC2Y 5EB

Executed as a deed by )  
**3 Circles Communications Limited** )  
 acting by a director in the presence of ) Director

Signature of witness

Name GRACE DURKIN

Address One London Wall  
London EC2Y 5EB



**Security Trustee**

Executed as a deed by )  
**Santander UK plc** )  
as duly authorised attorney for and on behalf of )  
in the presence of )



Signature of witness

Name LISA RUTH BUTMER

Address .....



Santander House  
100 Ludgate Hill  
London  
EC4M 7RE